JPRS-CAG-86-004

30 January 1986

China Report

AGRICULTURE

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-CAG-86-004

30 January 1986

CHINA REPORT
AGRICULTURE

CONTENTS

PEOPLE'S REPUBLIC OF CHINA

NATIONAL

Seventh 5-Year Plan Rural Development Goals Outlined
(NONGCUN GONGZUO TONGXUN, No 10, 5 Oct 85) 1

PRC's Rural Reform Makes Headway in 1985
(XINHUA, 15 Dec 85) 5

Farm Mechanization Prospects Discussed
(NONGMIN RIBAO, 16 Sep 85) 6

Regulations on Specialized Households Detailed
(SHANXI RIBAO, 8 Sep 85) 9

Development of Rural, Township Enterprises Stressed
(ZHONGGUO XIANGZHEN QIYE BAO, 7 Aug 85) 10

Good Rapeseed Harvest Reported This Year
(Zhou Qicai; ZHONGGUO CUNZHEN BAIYE XINXIBAO, 20 Oct 85) 14

Large Surplus of Castor Oil in 1985
(Zhou Qicai; ZHONGGUO CUNZHEN BAIYE XINXIBAO, 20 Oct 85) 15

Steady Development of Sugar Crops Urged
(Pei Zhang; ZHONGGUO CUNZHEN BAIYE XINXIBAO, 20 Oct 85) 16

Demand for Soybeans Will Exceed Supply in China
(Yu Ji; JINGJI RIBAO, 17 Oct 85) 18

State Council Issues Water Conservancy Report
(XINHUA Domestic Service, 19 Dec 85) 20

NONGMIN RIBAO, on Rural Water Supply Improvement
(XINHUA, 14 Dec 85) 22

Symposium on Rural Contract Notarial Work
(Henan Provincial Service, 10 Dec 85) 23

Livestock Industry Development Discussed
(Zheng Xingjie; NONGCUN JINRONG, No 15, 1 Aug 85) 24

Development of Feed Industry Discussed
(ZHONGGUO XIANGZHEN QIYE BAO, 10 Aug 85) 29

PRC Reduces Cotton Production by About 1.8 Million Tons
(CHINA DAILY, 11 Dec 85) 32

Briefs
Fruit Harvest, Sales Promising 34
Sunflower Seed Production 34
Rural Savings Increased 35
Sodium Alginate Production 35
Radiation Seed Breeding 35

TRANSPROVINCIAL AFFAIRS

Southern Hilly Areas Boost Commodity Production
(XINHUA, 29 Sep 85) 36

ANHUI

Anhui Governor on Second-Stage Rural Reform
(Anhui Provincial Service, 15 Dec 85) 37

Diversification Brings Profits for State Tree Farms
(ANHUI RIBAO, 14 Jul 85) 40

Briefs
Autumn Sowing Tasks 42

BEIJING

Briefs
Grain Output in Beijing 43

FUJIAN

Fujian Urges Better Water Conservancy Management
(Fujian Provincial Service, 14 Dec 85) 44

GUANGDONG

Rumors of Change in Pig Procurement Policy Denied
(Guangdong Provincial Service, 13 Dec 85) 45

Briefs
Hainan Crop Outputs Develop 47

GUANGXI

Guangxi Holds Telephone Conference on Grain Work
(Guangxi Regional Service, 5 Jan 86) 43

Briefs
Aeroseeded Forests 49

GUIZHOU

Model Scientist Aids Guizhou Citrus Growers
(XINHUA, 7 Jan 86) 50

HEILONGJIANG

Heilongjiang Increases Dairy Production
(XINHUA, 5 Jan 86) 52

Secretary Gives Instructions on Grain, Hog Purchases
(Heilongjiang Provincial Service, 2 Jan 86) 53

Seeding Work Improvements Reported
(NONGMIN RIBAO, 18 Sep 85) 54

Rural Mechanization Trends Discussed
(HEILONGJIANG RIBAO, 6 Aug 85) 56

Briefs
Stored Grain 59
Heilongjiang Paddy Rice 59

HENAN

Henan Leader Meets Natural Resources Specialists
(Henan Provincial Service, 6 Jan 86) 60

HUBEI

Hubei Fish Farming Boon to Rural, Urban Areas
(XINHUA, 11 Dec 85) 61

HUNAN

Briefs
Agricultural, Sideline Products 62
Commodity Production Bases 62
Hybrid Rice Production 62
Hunan Textile Exports 63

JIANGSU

Gu Xiulian Attends Water Conservancy Meeting
(Jiangsu Provincial Service, 29 Dec 85) 64

Jiangsu Produces 'Pollution-Free Vegetables'
(XINHUA, 3 Jan 86) 65

Briefs
Peppermint Oil Output 66

JILIN

Jilin Government Holds Meeting on Grain Purchase
(Jilin Provincial Service, 7 Jan 86) 67

Briefs
Breakthroughs in Animal Husbandry 69
Farm Mechanization 69
Jilin Approves Grassland Improvement 69

NEI MONGGOL

Briefs
Seed Procurement 70

NINGXIA

Changes in Rural Production Structure
(NINGXIA RIBAO, 13 Jul 85) 71

Resolving Farmer Selling Difficulties Urged
(NINGXIA RIBAO, 29 Jul 85) 73

Feed Industry Development Discussed
(Ma Heliang; NINGXIA RIBAO, 4 Aug 85) 77

Briefs
Ningxia Fish Farming 78

SHAANXI

Briefs
Apple Harvest 79

SHANDONG

Shandong Peasants Engage in Rural Industry
(XINHUA, 11 Dec 85) 80

Grain Output Increasing Steadily
(Jia Jianzhou; RENMIN RIBAO, 13 Nov 85) 82

Briefs
Record Peanut Crop 83

SHANXI

Briefs
Agricultural Reclamation Develops 84
Rural Achievements 84
Shanxi Rural Work Successes 84

SICHUAN

Revitalization of Rural Economy Discussed
(SICHUAN RIBAO, 17 Oct 85) 85

Fall in Fertilizer Sales Analyzed
(SICHUAN RIBAO, 28 Jul 85) 87

Briefs
Rural Savings Deposits Increase 89

TIANJIN

Briefs
Aquatic Production in Tianjin 90

XINJIANG

Briefs
Sheep Breeding 91

YUNNAN

Yunnan Province Establishes Production Bases for Apples
(Xiao Lin; YUNNAN RIBAO, 22 Sep 85) 92

Rural Economy Continues To Develop in Yunnan Province
(YUNNAN RIBAO, 22 Sep 85) 94

ZHEJIANG

Zhejiang Boosts Agricultural Production
(XINHUA, 5 Jan 86) 96

Briefs
Marine Products 98
Grain Production 98

TAIWAN

Briefs
Seafood Imports Ban Lifted 99

SEVENTH 5-YEAR PLAN RURAL DEVELOPMENT GOALS OUTLINED

Beijing NONGCUN GONGZUO TONGXUN [RURAL WORK NEWSLETTER] in Chinese No 10, 5 Oct 85 pp 4-5

[Commentary: "Work Hard To Revitalize the Rural Economy"]

[Text] The CPC National Congress has approved the Central Committee's proposals for the Seventh 5-Year Plan for National Development. These proposals are the culmination of China's long-term experience in building socialism, especially the experience since the reforms were enacted by the 3d Plenum of the 11th CPC Central Committee, which have proven to be correct, positive and reliable. They have greatly influenced the realization of the great goals of the 12th CPC Congress. The State Council formulated the Seventh 5-Year Plan according to these proposals and will submit it to the National People's Congress for deliberation and approval; then the entire nation will be mobilized for the struggle.

In building a modern, socialist China, we have nearly completed all facets of and surpassed the basic targets of the Sixth 5-Year Plan, so now we must enter into the Seventh 5-Year Plan for the period 1986 through 1990. This will be a crucial period in the development of the economy. According to the recommendations of the CPC Central Committee, to meet the general requirements of building socialism with Chinese characteristics we must invigorate domestic life, open up toward the world and consolidate positive economic and political trends so that the economy of the 1990's thrives and both the nation and the people substantially prosper.

Compared to 1980, before the start of the Sixth 5-Year Plan, the face of our economy has undergone a significant change. During the Sixth 5-Year Plan, land under grain cultivation was reduced by more than 100 million mu, yet there was a great increase in actual grain production. This is a logical trend for the agricultural structure. In the same period, a historic transformation of China's rural production structure, symbolized by the rapid development of rural enterprises, began. Total rural industrial output more than tripled between 1980 and the end of 1984; tertiary industry also expanded rapidly. This is the first step toward altering the traditional economy in which rural meant agricultural and urban meant industrial. During the Sixth 5-Year Plan, the total amount of rural labor that switched from working the land to other industries exceeded the total number of peasants who migrated to urban industry in the previous 30 years since liberation. The great transformation of the rural economic structure is a key aspect of our nation's modernization and it is also an important cornerstone in building socialism in China. Viewed from this angle, a solid foundation has been laid during the Sixth 5-Year Plan, and hence the outlook is optimistic.

With this kind of foundation, we have every reason to expect even more outstanding work and even greater achievements during the Seventh 5-Year Plan. On the other hand, we must still recognize that the technological basis of our society is still quite backward and that our agriculture and rural economy are comparatively fragile; for one thing, production conditions are unstable and, for another, growth has been uneven. Therefore, we must fully affirm the excellent economic circumstances at present, openly confront our difficulties and problems and maintain a sober attitude in the face of success.

During the Seventh 5-Year Plan the task of restructuring our economy will be quite a formidable one. The development of the rural economy will have a decisive effect on the achievement of the goals in this plan. In this plan, agricultural development was confirmed as the cornerstone of national development, and its strategic importance must be viewed seriously. The needs of national economic development are satisfactorily met when based on the development of agriculture, forestry, fishing and livestock industries along with the integration of rural industry, commerce and shiping under the principle of joint management. The further adjustment of the rural production structure and the gradual achievement of agricultural commercialization, specialization and modernization are also important. During the Seventh 5-Year Plan, grain production cannot be overlooked at all, so steady growth in that sector must be maintained. In suitable areas, grain must be amply cultivated and there must be a conscientious effort to raise productivity per unit area, increase variety and improve quality. And as previously noted, production must be determined by urban demand and natural conditions. Also forestry, livestock, and aquatic and breeding industries must increase as a percentage of total agricultural output. This would help foster a more rational agricultural infrastructure.

Developing rural industry is a necessary way to stimulate our rural economy, and is related to the overall problem of modernizing the nation. The guiding principles for the development of rural enterprises should be: active support, rational planning, correct leadership and strong management. There must be an orderly reallocation of surplus labor for the practical initiation of rural industry, transportation, shipping, construction, and mining as well as commerce and other services. In general, village industry is rooted in agriculture, and serves agriculture, and its profits will likewise stimulate agricultural growth. Many diverse areas should now stress the food-processing industry as well as storage, packing, shipping, sales and all aspects of product service industries. Those areas with the right conditions should actively develop small-scale hydroelectric plants and building-material industries, but they must respect national regulations reguarding the safeguarding of resources. Rural villages on the coasts or in economic development zones should expand large, full-facility industries and export-processing industries according to actual necessity and circumstances. Areas planning rural industries must depend on their own accumulated funds, measure their own strength and act accordingly, proceeding at a steady pace and avoiding a mad rush into action. Each and every rural enterprise should conscientiously improve management and production techniques, raise product quality, pay careful attention to the prevention of environomental pollution and increase its economic benefits.

In order to better stimulate the rural economy, many necessary policies and measures must be enacted to further restructure rural areas. The most important are as follows: (1) Continue expanding and perfecting the output-related system of contracted family responsibility and family management and encourage farmers to develop all kinds of cooperative and joint management efforts according to the principle of voluntary participation and mutual benefits. (2) Under the guidance of the National Plan, increase market control over agricultural production, continue a relaxation on price controls on agriculture byproducts, promote a more sensible rural production structure and expand the commercial economy. (3) Bring to fruition the principle that he who invests and manages shall reap the benefits; encourage farmers to initiate basic enterprises and agricultural facilities as well as commercial, storage and shipping facilities. Promote the establishment of bases for local agricultural byproducts and exports. (4) Accelerate the transformation of farming by the appropriate utilization of scientific farming technologies, the standardization and improvement of production conditions and the upgrading of product quality. Economic benefits should steadily rise. (5) Halt all manners of unreasonable distribution and reduce the burden on farmers.

During the Seventh 5-Year Plan there will be a suitable increase in agricultural input. However, its distribution must be well managed. The most important investments will be in building water conservancy projects, the fortification of prime farm lands, cultivation, commodity development and improvement, fertilizers, chemicals, plastics and farm machinery. The planting of trees and grass as well as water and soil conservation must be accelerated: morcover, the ecological balance in agriculture areas must be improved. Simultaneously, economic results should rise.

As to the present unevenness of economic growth, special attention must be paid to the economic and cultural development of minority regions; at the same time, strong measures must be taken to close the gap and alleviate the backwardness of the old revolutionary bases and other particularly impoverished areas. During the Seventh 5-Year Plan, developed areas throughout the nation must continue providing financial, material and technical support to these areas. Even more important is to further relax policies, search out economic solutions and work to revitalize these areas. With the support of the nation these areas can develop self-reliance and thus more rapidly develop their economy and culture.

Accompanying the growth of production power in society is most notably prosperity in the rural economy, a modification of its production structure and the inevitable trend toward urbanization. A rational plan for developing cities must jibe with the realities of China. On the other hand, an explosion of large urban areas must definately be prevented; the development of medium and small cities ought to be stressed. On the other hand, in view of China's expansive geography, inadequate transportation system and poor communications, small towns and villages cannot be too spread out. Large cities should serve as centers and communications hubs; though the form and scope of these urban networks will vary such that each is unique, the overall arrangement must be sensible.

During the Seventh 5-Year Plan, urban and rural economics will be integrated. Special emphasis will be placed on harnessing the great rivers, opening up new lands and exploiting natural resources in accordance with the objective laws of both nature and economics. While rural industries and tertiary production flourish and expand, it is crucial that water, land (especially tillable land), mineral and forest resources are effectively protected and conserved so as to prevent a worsening of the environment and ecology. This should be considered a fundamental policy to be implemented throughout the entire course of rural development.

During the Sixth 5-Year Plan, rural development got off to a fine start. Now we must conscientiously abide by the spirit of the Central Committee's Seventh 5-Year Plan, mobilize rural cadres and masses and solidly take the second step in rural reconstruction. We must resolutely rely on these policies and on science while diligently struggling to invigorate the rural economy.

13030/13068
CSO: 4007/83

PRC'S RURAL REFORM MAKES HEADWAY IN 1985

OW151614 Beijing XINHUA in English 1601 GMT 15 Dec 85

[Text] Beijing 15 December (XINHUA)--China's rural reform has made headway in 1985. With the economic structure becoming more rational and the production being arranged according to market demand instead of state plans.

The country's cash crop acreage has expanded by more than 3.3 million hectares this year while the grain crop acreage has reduced by 4.7 million hectares, bringing the ratio between the cash crop areas and the grain crop areas to 21.79 from 17.83 in 1984.

This adjustment, plus this year's severe natural disasters, has resulted in a drop in grain output, which is expected to reach the 1982 level. Cotton output is expected to drop too because of the reduction of cotton grown acreage by 1.7 million hectares this year. However, big increases are assured in the output of the other cash crops. Per-capita income of China's 800 million peasants this year is estimated at 400 yuan, an increase of 45 yuan over 1984.

Output of pork, beef and mutton has increased by more than 15 percent over last year and that of freshwater fish by 20 percent. A total of 533,000 hectares of croplands have been turned to growing trees, grazing animals and breeding fish.

Market forces have been introduced to China's rural economy with the state dropping compulsory purchase quotas early this year. Prices of meat, eggs and vegetables are left to float on the market. This has given rise to more channels of commodity circulation and more flexible forms of operation.

Burgeoning township enterprises have become an important pillar in China's rural economy as they have scored a big increase in output value this year compared with last year's 150 billion yuan. They employ more than 60 million rural laborers. Besides, some 20 million peasants are engaged in building and service trades in the cities and towns. The relationship between town and country has changed from one of mere exchange of produce into one of pooling efforts to develop industry and service trades.

China started reforms of the rural economy in 1979. Bumper harvests were gathered in the six years from 1979 to 1984.

/12913
CSO: 4020/132

FARM MECHANIZATION PROSPECTS DISCUSSED

Beijing NONGMIN RIBAO in Chinese 16 Sep 85 p 2

[Article: "Realization of Farm Mechanization by the End of the Century Is Possible"]

[Text] It is our long-term goal to achieve a comprehensive high-level of farm mechanization; however, it must proceed in graduated stages. Generally speaking, the first stage should be an initial (that is, experimental) one. The second should be basic mechanization, and the final one comprehensive, high-level mechanization. Of these stages, the second is the more difficult and the more key. It is in this stage that the fundamental shift from manual and animal power to mechanical and electrical power should take place. That is, within the broad spectrum of agriculture, most of farming, forestry, sideline, and fishery production, transportation, and product processing should operate with machinery. Averaging for the nation as a whole, mechanical and electrical power should constitute above 70 percent of the total of mechanical, electrical, manual, and animal power. Based upon the task of realizing the four modernizations and the requirements of the nation's overall strategic goals, given what is feasible with economic and technological analyses, we feel that realization of farm mechanization by the end of the century is possible.

I. Economic Feasibility

Economic strength is crucially significant to the degree of farm mechanization which can be achieved. Primary issues for economic analysis are first the question of cost-benefit and second the question of the availability of funds.

Projects for achieving mechanization in farming, forestry, animal husbandry, sidelines, and fisheries are innumerable; however, given the differences in natural conditions, industry projects, and special features of mechanization, development of mechanization can be selected in a highly efficient manner for different regions. For example, the difficult question of mechanization in the vast multiple-crop rice-growing areas where two man-days of manual labor are required to harvest 1 mu is one in which, according to surveys, one man-day amounts to 1 percent of yearly income per worker (that is, an average annual income of 500 yuan amounts to

5 yuan per man-day) with compensation duplicated in the two harvest seasons. If per capita income reaches 800 yuan, harvesting manually will cost 32 yuan per mu in wages. But if small combines are used instead, harvesting will be quicker, losses less, and costs per mu will not exceed 10 yuan. Practice demonstrates that in areas where per capita income exceeds 500 yuan, farmers show willingness to invest in mechanical harvesting. In regions where per capita income exceeds 800 yuan, mechanization of rice paddy harvesting should be even more feasible, as is true for mechanization in other sectors as well.

In recent years, the question of funding has been solved by farmers pooling funds (or, in some cases, getting bank loans) to buy equipment. Annual outlays for purchase of farm equipment have amounted to about 2.5 percent of gross agricultural output value--a figure which should be maintained. By the end of the century, the question of funding for farm mechanization should basically be solved through farmer investment. Of course, bank loans will be necessary for purchase of heavy equipment, which will require continued government support.

II. Technological Feasibility

The current situation in mechanization for the three major crops--wheat, rice, and corn--is as follows:

Wheat: equipment and technical problems in mechanization of tilling, planting, irrigation, and harvesting have been basically solved domestically.

Rice: Basic problems of tilling and grading land for rice have been solved. Transplanting sprouts can be replaced with direct sowing from now on. A seond area is nursery raising of sprouts in replacement for raising them in the soil. Jilin Province has acquired much experience in widesprcad adoption of this method in recent years. Equipment and technical problems in this area should be basically solved by 1990. Using chemical herbidices during the growing season saves both work and money; the primary problem is assuring that supplies of herbicides are planned for appropriately. With regard to harvesting, threshers are used widely already. More use of small harvesting equipment and combines is needed. What is needed now is to have production of rice combines included in state planning, and experimental adoption should be conscientiously carried out in all areas.

Corn: problems with tilling and planting equipment and technology have basically been solved. (The interplanting practiced in a minority of areas should be gradually switched over to sequential cropping.) Sowing amounts should be mechanized, which will save on manual procedures between the rows of sprouts. Use of equipment and technology for mechanized tending and herbicides has already become successful. Mechanized harvesting is still difficult, but experience in this area has been successful abroad; first in the area of mechanically picking the ears, and secondly in harvesting the kernels with combines. China has already done much experiemental work in this area, and the technology itself is not a problem. It is projected that by the end of the century, picking of the ears will be mechanized with corn cobs left behind in the fields. Research, trials, and popularization in this area should be strengthened, and equipment should be produced in a planned fashion.

Other projects outside of field mechanization but within the broad scope of agriculture are somewhat less difficult. Moreover, economic results are manifest and popularization is easier. As long as mechanization of the three major crops mentioned above is carried, mechanization of the rest should follow. Still, there are some projects such as those for harvesting cotton and certain vegetables and fruits which may not be fully mechanized by the end of the century. It is projected that work requiring manual or animal power for operation should not exceed 30 percent of the total by that time.

Energy is a serious issue for achieving mechanization. Horsepower of all farm equipment by the end of the century should be around 500 million horsepower, requiring a yearly supply of 20 million tons of diesel oil, 3 million tons of gasoline, and 100 billion kWh of electricity. Inquiries to relevant departments reveal that this problem should not be too large. However, it will require unified balance for the nation as a whole.

In addition, there are other constraining factors, such as the comparatively small scale of farm operations, difficulties in turnover of farm labor, and quality of mechanized farm equipment products which are not up to requisite quality requirements. These all need further research, summarization of experience, and solutions found. Nevertheless, these all relate to economic strength; and as the national economy develops, they will gradually be solved.

12303/12828
CSO: 4007/29

NATIONAL

REGULATIONS ON SPECIALIZED HOUSEHOLDS DETAILED

Taiyuan SHANXI RIBAO in Chinese 8 Sep 85 p 1

[Article: "Standards for Specialized Households and New Economic Cooperatives"]

[Text] The National Bureau of Statistics has set forth the following new standards for specialized households and new economic cooperatives:

I. Standards for Specialized households

1. Time spent by the primary laborer or laborers within the household engaged in specialized production or specialized operations activities exceeds 60 percent;

2. The proportion of income from specialized activities exceeds 60 percent of total household income;

3. The commodity rate for specialized products exceeds 80 percent (60 percent for specialized grain households);

4. Income from product sales (including service income) exceeds the local (county) average for all rural household activities by onefold.

II. Standards for New Economic Cooperatives:

1. A specific organizational plan, workplace, and members;

2. Relatively stable operational program;

3. Accounting and distribution systems;

4. Operational period in excess of 3 months.

12303/12828
CSO: 4007/29

DEVELOPMENT OF RURAL, TOWNSHIP ENTERPRISES STRESSED

Beijing ZHONGGUO XIANGZHEN QIYE BAO in Chinese 7 Aug 85 p 1

/Commentary reprinted from RURAL WORK BULLETIN No 8, 1985: "Development of Rural and Township Enterprises Is a Comprehensive Issue"/

/Text/ Nineteen eighty-four was a big year for development of rural and township enterprises. Concrete developments were in the following areas:

First, rapid expansion. In 1984, gross output value of rural and township enterprises reached 170.9 billion yuan--up 40 percent from the previous year. In the same period, the new increase in gross agricultural and industrial output value rose 120 billion yuan, of which the net increase for rural and township enterprises was nearly 28.7 billion yuan--24 percent of the total. This says that rural and township enterprises have now become a major part and major thrust for China's rural economic development. This is even more true in the more economically advanced areas.

Second, the makeup of rural and township enterprise is becoming more rational. The first full year in which farmers began to take an active role in large-scale adjustment of farm production makeup since the inauguration of the contract responsibility system was 1984; and the pace of development of tertiary industries quickened. Statistics of relevant departments show that at the township and village levels alone, enterprises engaged in secondary industries increased 22.5 percent while those in tertiary ones increased 52.4 percent last year.

Third, the trend was toward multileveled development. Cottage, joint household, and collectively managed enterprises witnessed unprecedented enthuasism, leading toward multileveled parallel development of township-, village-, and cooperative (which used to be commune, brigade, and production team)-run cooperative enterprises, joint enterprises between segments of the farm population, and cottage factories. According to statistics, gross output value of township cooperative enterprises in 1984 increased by 17.89 billion yuan--up 33.7 percent. At the village level the figure was up 16.07 billion yuan, or 40.4 percent, while for jointly run or cottage enterprises, the increase was 14.9 billion yuan, or 51 percent.

These developments in rural and township enterprises were the direct result of the impetus of last year's Central Documents No 1 and 4. It met the needs of adjustments in rural production makeup and of the opening up of urban industries to the countryside, along with that of finding an outlet for large surpluses in the rural labor force and expanding demands of society and of the markets. This is the objective cause of the development of these enterprises and should be fully recognized as such.

Of course, there have been problems in the development process which must be conscientously recognized and solved, such as the fact that in some areas and sectors growth has exceeded economic and resource capabilities. Growth in some sectors has been blind and headlong in some localities. This has led to waste and unbalanced apportionment of social wealth. The structure has manifestly irrational elements. Relatively large increases in the manufacturing sector have reduced those in intensifying processing of sideline products in some sectors. Pollution has become more widespread and has gone uncontrolled and the amount of arable land taken up has been excessive, among other problems.

Problems and snags encountered in the new situation of development of rural and township enterprises and which had been criticized at one time have arisen once again. Besides the oft-heard criticisms of "the small squeezing out the big," the backward is squeezing out the advanced," and "the source of unhealthy tendencies," there are now new ones: e.g., the rapid increase in rural and township enterprises is a major source of inflation in credit funds and a major cause of critical shortages of raw materials and energy.

That the rapid development of rural and township enterprises has been a factor in loss of control over credit is not be denied. Statistics of the Farm Bank show an excess of 29.2 billion yuan in loans to these enterprises. However, deposits by these enterprises during the same period total 11.6 billion yuan while those of staff and workers in such enterprises total 18 billion, for a total of 29.6 billion yuan, or 101.4 percent of the former figure. Compared with the flow of rural funds into the cities in the past, this is a major change. As the rural economy develops, this change is unavoidable and can only be controlled comprehensively by economic laws. Basic construction in these enterprises in 1984 totaled 15.56 billion yuan, of which 6.1 billion was taken from profits of the enterprises and returned into production. Moreover, 3 billion yuan was accumulated by farmers themselves, constituting 58.5 percent of total funds. This is higher than the self-capitalization rate for most state-run enterprises.

The fact that overall demand in the nation's economic activity was extremely rapid last year must also be noted. This was a major impetus to development of rural and township enterprises. But it would not be possible to say that the expansion of demand was stimulated by development of these enterprises. The shortage of raw materials and of energy for China's basic construction is an undeniable fact; however, the rapid development of rural and township enterprises merely highlights the problem. Moreover, it has transformed traditional distribution of raw materials and energy to a certain degree, with that portion going through market distribution growing faster. Due to the strong demand from rural and township enterprises, the prices of certain raw materials and of energy have risen. This has also served to stimulate an increase in supplies. More significantly, as these enterprises draw on raw materials and energy, they have provided society with a proportionate increase in commodities. It can be imagined--if rural and township enterprises had not produced over 10 billion yuan worth of commodities, what would have happened? Shortages would have undoubtedly been greater. Relevant statistics show that construction materials produced by local rural and township enterprises amounted to 70 percent of all such materials produced nationwide in 1984. For textiles, the figure was 24.7 percent, while it was 40 percent for clothing, 43 percent fof ferrous sulphur; it also accounted for generation of 4.5 billion kWh of electricity and production of 202.21 million tons of coal, which amounts to more than the 44 percent of the total energy output consumed by these enterprises.

Looking at the major development of rural and township enterprises overall, the improvements it has brought to China's economic picture have been major while the problems it has brought have been secondary and can be overcome.

Development of rural and township enterprises is now faced with a new challenge, but if the above-mentioned problems are to be solved, there must be a comprehensive and appropriate assessment rather than a chorus of complaints.

In fact, development of rural and township enterprises has now become part of the total question of the marcoeconomic situation which should be treated at a highly strategic level:

First, it is a major component of the nation's current production force and an important strength toward redoubling the nation's economy. In 1984, its gross output value reached that of the nation as a whole in 1957, of which, its industry sector surpassed China's total industrial output capability for the year 1964. This is a tremendous economic force which no one can take lightly.

Second, it has become a major component in the readjustment of the rural production structure and a primary absorber of the shifting rural labor force. Sole reliance on traditional farming cannot possibly lead to widespread farm affluence or agricultural modernization. If the problem of feeding the 800 million peasants is to be solved and several hundred million are to go into nonfarm businesses, there must be a development of commodity production leading to division of labor and development of exchange across society as a whole. And it is just these millions of rural economic cells entirely engaged in commodity production and ready to sprout, which, with their remarkable vitality, have injected a whole generation of industrial civilization and industrial production methods into the countryside. They have dramatically expanded divisions of labor throughout society, changed the makeup of rural production and absorbed a large contingent of excess rural labor force.

Third, rural and township enterprises have opened up a new path for industrialization and urban development with special Chinese features. The modernization of a nation must first be industrialization. Europe, the United States, Japan and the Soviet Union have all relied on the cities and built up a basically urban-industrial, rural-agricultural mode of development which achieved industrialization and modernization after several decades or centuries of effort, with agricultural populations migrating into the new urban industries. Given China's special national situation with a disproportion of rural population and commodity production egregiously backward, mere reliance on urban areas for development of industry is far and away inadequate. Ever since the 3d Plenum of the 11th CPC Central Committee, the major development of the production force of rural society brought with rural reform has opened up people's perspectives. The emergence of rural industry marked by rural and township enterprises and the wholesale construction of rural towns has changed the traditional development model. It has given China's road to industrialization and urban development a new substance and a new thrust. This is already extremely obvious. It can be said that development of rural and township enterprises is a major pathway for China's 800 million peasants to participate in the inevitable historic process of the nation's industrialization, rural urbanization and agricultural modernization.

Readjustment of the makeup of rural production cannot take place without development of rural and township enterprises. This is a comprehensively important strategic issue. Approaching the question of development of these enterprises from this point of view is the only way to appropriately deal with it and eventually avoid mistakes.

In sum, we should have a comprehensive and correct attitude toward rural and township enterprises and affirm their development and their role. Of course, development of these enterprises was a bit rapid last year; but we cannot waver on the matter of strategic deployment because of too rapid development in a few localities. Concrete circumstances should be treated concretely. Progress should slow in some areas progressing too rapidly, with emphasis on affirmative restructuring to solve whatever problems exist. In regions just setting out, development should go forward. Whether to stop, slow down, or go foward depends upon individual circumstances. Special attention should be paid to formation of rational production policies during development. Our pace should be guided by such policies to prevent blind development. Further attention should be paid to balance for such problems as energy and raw material supply and market demand. Pre- and postproduction services should be emphasized from now on to bring these enterprises into closer relation with planting and raising livestock. Thus, they can mutually provide conditions for development and promote their common stable development.

12303/12228
CSO: 4207/443

GOOD RAPESEED HARVEST REPORTED THIS YEAR

Beijing ZHONGGUO CUNZHEN BAIYE XINXIBAO in Chinese 20 Oct 85 p 3

[Article by Zhou Qicai [6650 0366 2088]: "China Will Have a Good Rapeseed Harvest This Year; All Areas Should Begin Advance Preparations for Harvest, Transportation, Storage, and Processing To Ensure a Trouble-Free Harvest"]

[Text] According to relevant sources, our country will reap a bumper harvest of rapeseeds this year. Gross output will be higher than last year and is estimated to exceed 1 trillion dan.

During the past two years, rapeseed output has declined because some areas applied "quantity ceiling" purchasing policies. In addition to the effect of pricing factors, several major production areas in the country reduced their planting areas in 1983 and 1984. Beginning in 1983 the use of superior quality low erucic acid rapeseed has been widely advocated in China. Because the yield of this variety is slightly lower than that of the standard variety, the difference between the cost and actual profit is comparatively small. Therefore, the state Price Bureau has suggested that the local governments should increase the prices for the producing areas. Most areas, however, did not implement this price increase policy. Superior quality without a superior price directly affected the producers' attitude toward production. In 1984 the total area planted in rapeseed decreased to 51.19 million mu from 61.82 million mu planted in 1982 (the peak production year), a decrease of about 17 percent. The resulting decrease in rapeseed production caused an increase in the conflict between supply and demand in the rapeseed market. In 1985 the state abolished the "quantity ceiling" purchasing policy. Some areas have made price adjustments, thereby stimulating producers' enthusiasm. According to statistics, the total area planted in rapeseed is more than 70 million mu this year, an increase of 27 percent compared to 1984.

Production is slightly lower than in the peak production year of 1982 because of bad weather. Compared to last year there is a relatively substantial increase.

The increase in rapeseed output will reconcile the intense conflict between supply and demand for edible oil in the market. All areas should begin preparations for harvest, transportation, storage, and processing and ensure abundant production with minimal losses.

13015/12781
CSO: 4007/91

LARGE SURPLUS OF CASTOR OIL IN 1985

Beijing ZHONGGUO CUNZHEN BAIYE XINXIBAO in Chinese 20 Oct 85 p 3

[Article by reporter Zhou Qicai [6650 0366 2088]: "The Price of Castor Seed Oil on the International Market Has Declined, and Domestic Use Is Limited; There Will Be a Large Nationwide Surplus of Castor Seeds in 1985"]

[Text] This year our eight major castor oil producing areas, Liaoning, Jilin, Heilongjiang, Nei Monggol, Shanxi, etc planted more than 8 million mu of castor oil plants, an increase of 2.7-fold compared to last year. Gross output is estimated to increase almost 3-fold compared to 1984. Exports and domestic sales of castor seeds will be hindered by a decline in the international market price and domestic processing ability. Large surpluses will appear in certain areas.

In 1984, the sale price of castor seed oil in international markets was as high as approximately $1,000 per ton, and China's castor seed oil exports increased dramatically to nearly 80 million jin. In the latter part of this year several of the world's castor oil exporting countries had good harvests, and the price of castor oil in international markets continued to decline to about $600 per ton. Therefore, China's estimated exports of castor seeds will be greatly reduced compared to last year.

According to estimates of relevant sectors; the demand for castor seed in the domestic market will be limited this year by the limited processing ability. Northern areas will have large surpluses of castor oil. For example, the estimated gross output of castor oil in Zhemeng (Nei Monggol Autonomous Region) will be 200 million jin but its own processing ability is only 100 million jin of raw material. The resulting 100 million jin surplus is awaiting sale.

The sale price of castor seeds will also show a noticeable decline because the market demand is small. All areas should pay attention to communication, transportation of merchandise, and organization of processing. They should reconcile the conflict between market demand and supply and try to reduce the burden on the producers. All producing areas should pay attention to increasing castor seed quality and lower the price adequately so that the user can accept it.

13015/12781
CSO: 4007/91

STEADY DEVELOPMENT OF SUGAR CROPS URGED

Beijing ZHONGGUO CUNZHEN BAIYE XINXIBAO in Chinese 20 Oct 85 p 1

[Article by Pei Zhang [1014 3864]: "Sugar Crops Should Be Steadily Developed in China"]

[Text] According to information gathered from the agricultural and commercial sectors, domestic production of edible sugar has not satisfied market demand during the past year or two. Sugar crops should be steadily produced as planned, and the planting area should not be blindly expanded because the capacity of our domestic sugar refining industry is limited.

According to available information, the development of sugar crops in China has been quite rapid in recent years. In 1984 the area planted to sugar crops was 18.45 million mu, and the total production was 956 million dan, an increase of 18.6 percent compared to 1983. During 1984 the production of the domestic sugar industry was 4.3 million tons. The food manufacturing industry has developed rapidly in recent years, and domestic demand for edible sugar has increased year after year as the standard of living has risen. Domestic consumption of edible sugar was 5.1 million tons in 1984, an increase of 10 percent compared to 1983. Consumption this year is estimated to be almost 5.5 million tons. Imports will be required to make up the shortage. In 1984 more than 1.2 million tons of edible sugar were imported; this year imports are estimated to be close to 1 million tons.

The area planted in sugar crops this year is 23 million mu, an increase of 22.4 percent compared to last year. Based on our current calculated industrial sugar extraction rate, we can produce 5.2 million tons of edible sugar. From the viewpoint of the domestic market, there is a definite disparity between production and consumption.

Producers should not blindly expand the planting of sugar crops. The reasons are: First, our sugar refining industry is relatively backward, sugar factories are small scale, and distribution is irrational. Based on current capacity, our annual production will be about 5 million tons. Sugar factories in some areas either have "not enough to eat" or "too much to eat," thereby creating an imbalanced situation. Second, the current price for edible sugar in international markets has fallen quite sharply. It has been predicted that the price of edible sugar will not rise again this year. Each ye[illegible]e will import edible sugar for domestic consumption and as reserves. Domestic consumption is basically satisfied with the aid of imported edible sugar. Therefore, producers should emphasize improvement of sugar crop quality, varietal improvement, and increasing the sugar content of the crops. At the same time, they should consider the production capacity of nearby sugar factories, arrange the sugar crop planting areas logically, and avoid the problem of "selling difficulties."

13015/12781
CSO: 4007/91

NATIONAL

DEMAND FOR SOYBEANS WILL EXCEED SUPPLY IN CHINA

Beijing JINGJI RIBAO in Chinese 17 Oct 85 p 3

[Article by Yu Ji [4416 3444]: "Demand Will Exceed Supply in the Soybean Market in China"]

[Text] Historically, China is one of the major soybean exporting countries. The area planted in soybeans and gross production were formerly the largest in the world but have decreased since the 1960's. Planting area has decreased from 190 million to 100 million mu, and gross output has decreased from more than 20 billion jin to approximately 13.9 billion jin. Formerly a net exporter in international trade, China has been transformed into a net importer of soybeans. In recent years soybean production has been gradually recovering. During 1983 and 1984 gross soybean production in China increased to more than 19 billion jin, and China resumed exports in 1983.

Demand for soybeans has increased rapidly as the national economy and international trade have developed. For the near future demand for soybeans is predicted to exceed the supply. The main reasons are: First, the people's standard of living has improved from simply avoiding hunger to a comparatively well off life. Soybean is a relatively ideal food because its protein content is higher than that of ordinary grains, therefore, demand will increase tremendously. By 1987 soybean consumption in China is estimated to reach 18.9 billion jin. Per capita consumption will be 18 jin, 9 liang, an increase of 30 percent compared to 1978. This is still far below the 36 jin standard suggested by nutritionists. Second, development of rural industry and sideline industries will lead to an increase in demand for soybeans. Farmers will develop bean curd factories, begin to sell soybean products, and utilize the byproducts to develop pork production. All these factors will cause the demand for soybeans in rural areas to continually increase. Third is the development of the feed industry. A 15 to 20 percent content of soybean cake guarantees the quality of the feed. Production of soybean cake must increase by more than 340 million jin simply to meet the government's initial arrangements for the development of the feed industry in 1985. Fourth,we must increase future soybean exports.

According to the above situation, per capita soybean consumption will reach 20 jin this year, and nationwide demand will exceed 20 billion jin. These estimates are based upon the rate of increase during the last 5 years.

Soybean production and demand are not in balance, and demand greatly exceeds production. Using 1984 production as a base, production must increase by 9.7 billion jin by 1990, i.e., the yearly increase after 1985 should exceed 1.6 billion jin in order to achieve a balance between production and demand. Based on the present development of soybean production capability, yearly production will meet only 92 percent of the demand. Eight percent of the demand will not be met. Therefore, appropriate measures should be adopted to increase production.

13015/12781
CSO: 4007/86

STATE COUNCIL ISSUES WATER CONSERVANCY REPORT

OW191058 Beijing XINHUA Domestic Service in Mandarin 1222 GMT 19 Dec 85

[Excerpts] Beijing, 19 Dec (XINHUA)--On 12 December, the State Council approved and transmitted to all provinces, autonomous regions, and central government-controlled municipalities, as well as all departments of the State Council concerned, the Ministry of Water Resources and Electric Power's "Report on Doing a Good Job in Practice in Removing River Obstacles and in Water Conservancy Projects Construction Work." The council also issued a circular on this matter, calling for its implementation.

The circular pointed out: In the past few years, some localities have neglected the building and management of water conservancy projects, resulting in the lowering of the projects' flood-prevention and drought-resisting capacities. Artificial obstacles have been built in many rivers, blocking the discharge of floodwaters and causing serious flood and waterlogging disasters in some localities during this year's flood period. Such a lesson must be remembered. All localities are requested to do a good job in practice in removing river obstacles and in building water conservancy projects in accordance with the Ministry of Water Resourced and Electric Power's report, in light of the actual conditions in the localities. The localities which suffered flood disasters this year should firmly grasp the stopping of breaches and reconstruction of dikes in order to restore the original flood-discharging standards of the rivers by the flood period of next year, thereby raising the flood-prevention and disaster-resisting capacities and safeguarding the smooth progress of the construction of national economy.

The report submitted by the Ministry of Water Resources and Electric Power to the State Council stated: Since the beginning of the flood period this year, the southeastern coastal areas have undergone typhoon attacks, the three northeastern provinces have suffered flood and waterlogging disasters, and other provinces and localities also have experienced scattered disasters. Although the water conservancy projects and facilities in the various localities have played an important role, they have also exposed many problems. The main problems were:

1. The flood-prevention standards for many rivers were lower than expected, and some localities neglected the maintenance and management of the existing water conservancy projects, thus lowering the flood-resisting capacities of the water conservancy projects.

2. Some cities neglected the construction of flood-prevention facilities. For example, Panjin City, which located in the lower reaches of the Liao He, and the nearby Liao He oilfield and Liao He chemical fertilizer plant failed to build necessary flood-prevention facilities and were stranded by the floods this year, posing tremendous threats to the lives and property of the people.

3. Many rivers suffered from serious obstructions in discharging floodwaters.

In order to safeguard the construction of the country and the lives and property of the people, the "Report" proposed that along with doing a good job in positively arranging water conservancy construction projects, all localities should firmly grasp the work of removing river obstacles and rebuilding the existing water conservancy projects.

1. Unify understanding and firmly grasp the implementation of the State Council's directive on river obstacles' removal.

2. Cities and industrial and mining enterprises located in flood-stricken localities should all build necessary flood-prevention projects.

3. Strengthen the legal system and establish and perfect laws governing river management. Liaoning, Heilongjiang, Henan, Hubei, Guangdong, Shaanxi, and Sichuan provinces have promulgated their province's regulations on the management of rivers and dikes, which have played a very good role in strengthening the management of rivers and dikes and in helping to do a good job in flood-prevention and obstacle-removing work. Other provinces and localities should also firmly grasp the formulation of river management regulations and gradually succeed in harnessing rivers according to law. Before the state officially promulgates the flood-prevention law, all localities should adopt strong measures to prevent and eliminate all acts of undermining water conservancy projects and facilities.

4. Water conservancy projects building work should be started in time in this winter and next spring. Since the existing water conservancy projects have mostly been operating for 20 to 30 years, they have naturally become worn out to a serious degree. In addition, the relaxation of management in the past few years is another factor causing tremendously heavy examination and maintenance tasks in the various localities.

/8918
CSO: 4007/148

NONGMIN RIBAO, ON RURAL WATER SUPPLY IMPROVEMENT

OW140838 Beijing XINHUA in English 0813 GMT 14 Dec 85

[Text] Beijing, 14 December (XINHUA)--China is winning the battle against water shortage in agricultural and pastoral areas, but more efforts are needed to provide people and livestock with enough clean drinking water, according to reports in PEASANT DAILY.

Up to the present, the report says, more than 1,900,000 drinking water projects have been built in areas suffering from serious water shortage, benefiting more than 70 million people and 43 million head of livestock--about 75 percent and 95 percent, respectively, of the total for the past 30 years.

Since 1980, the country has solved water problems for more than six million people each year.

Areas suffering water shortage are mostly in the northwest and north, with some parts of South China also affected.

Rural water shortage has received greater attention from local authorities in the past five years as the rural areas have been experiencing a great development of commodity production and rural industry.

North China's Shanxi province has appropriated 15 million yuan annually since 1982, earmarked for building drinking water projects. Three years of hard effort have solved the water shortage problem for nearly 93 percent of the population who used to have problems obtaining clean drinking water.

In arid Gansu province, more than 309,000 covered reservoirs have been built, in addition to pump wells over the past five years.

In South China's Guangdong province, more than 960,000 rural people are suffering from water shortage. Last year, the Provincial People's Congress resolved to solve the problem in five years.

However, water shortage is still very serious in some places. Excessive mining, building of factories and other construction projects have caused the ground water level in some places to drop drastically. Water in some places has been polluted owing to discharges from small rural factories.

Local governments have been ordered to encourage collectives and individuals to invest in projects to improve drinking water, which concerns the well-being of millions of Chinese peasants.

/12913
CSSO: 4020/132

SYMPOSIUM ON RURAL CONTRACT NOTARIAL WORK

HK130955 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 10 Dec 85

[Text] A reporter has learned, from a symposium on notarial work regarding rural economic contracts, which was held by the Ministry of Justice in Zhengzhou from 4 to 10 December, that since the 3d Plenary Session of the 11th CPC Central Committee, and particularly since 1982, the notarial work regarding rural economic contracts in our country has developed very quickly. The notarial work, ranging from notarial work concerning agricultural contracts to notarial work regarding contracts for forestry, animal husbandry, sideline production, fishery, water conservancy, service trade, and so on, has been carried out in an all-round way. According to incomplete statistics, from 1983 to first half of this year, the whole country did notarial work regarding 3.2 million rural economic contracts of various categories.

Through the notarial work regarding economic contracts of various categories, the cadres' and masses' concept of the legal system has been heightened, socialist economic order upheld, the legitimate rights and interests of the state, collectives, and individuals protected, and some unlawful practices and criminal activities in the rural economic sphere prevented or revealed. According to incomplete statistics of 12 provinces, municipalities, and autonomous regions, from January to September this year, through notarial work concerning rural economic contracts, 6,900 unlawful contracts were revealed and rendered unenforceable, and the value of these contracts amounted to 1.5 billion yuan.

In the wake of the development of notarial work concerning rural economic contracts, rural areas in our country have generally set up a rural force of notarial cadres. In the practice of doing notarial work, the notarial personnel have strictly adhered to notarial procedures, perfected the notarial regulations and system, and accumulated certain experiences. The development of notarial work has promoted reform of the rural economic structure and made active contributions toward developing and perfecting the system of contracted responsibility with payment linked to output.

Some departments concerned also hold that the rural notarial work must conscientiously meet the needs of the development of the rural economic situation, and it is necessary to carry out all aspects of notarial work, with the notarial work concerning economic contracts as the focal point; to work hard to improve the quality of notarial work; to promote rural economic reform, the building of the rural socialist legal system, social stability, and the building of rural socialist spiritual and material civilization; and to provide legal service and legal protection still better.

/9599
CSO: 4007/127

LIVESTOCK INDUSTRY DEVELOPMENT DISCUSSED

Beijing NONGCUN JINRONG [RURAL FINANCE] in Chinese No 15, 1 Aug 85 pp 42-43

[Article by Zheng Xingjie [6774 2502 2638] of the Livestock Office of the Ministry of Agriculture, Animal Husbandry, and Fisheries: "First Lecture: Strive To Develop Animal Husbandry"]

[Text] I. General Situation and Review of Experience of China's Animal Husbandry

Animal husbandry is an extremely important part of the national economy. As Engels noted: "meat foodstuffs" are "the most important substances" for "humanity to develop more perfectly with each succeeding generation." As Mao Zedong also noted: a national economy without animal husbandry is incomplete. Obviously, the master of the proletarian revolution saw development of the animal husbandry economy as a primary force behind human evolution and social development.

China's livestock industry has a long history, at the beginning of primitive society 50,000 to 60,000 years ago, our forebears used hunting as a means of livelihood. In the Yangshao period 5,000 years ago, hunting changed to domestication as production developed. The mound excavations at Xian reveal that swine and dogs were already domesticated, along with cattle, horses, sheep and chickens. The "Three-Thousand-Word Classic" calls these "the six domestic animals." This was the origin of animal domestication. At the end of the primitive period around 4,000 years ago, a major double division of the labor of society promoted the development of farming, animal husbandry, and artisanry, leading directly to exchange as a mode of production under which commodities produced by the livestock and other industries began to appear. In the endless process of development, animal husbandry became an important production sector, and the state set up special officials to manage it.

After the founding of the PRC, animal husbandry saw major developments, with the number of head of large domestic animals going from 160 million in 1949 to 583.64 million in 1982--a 2.7-fold increase, or an average yearly increase of 4 percent. Of this, hog development was fastest, going from about 57 million head to 300.78 million head--more than a fourfold increase, or an annual average increase of 5.2 percent. Sheep raising was also quick, going from over 42 million head to 181.79 million--also a fourfold increase, or a yearly average of 4.7 percent. Large animals also saw new developments, going from 60.02 million head to 101.13 million, a 0.7-fold increase for a yearly average increase of 1.6 percent.

With China's livestock industry increasing all the time, it has come to hold a prominent place in livestock and meat production worldwide. Hog-raising is China's premier domestic livestock industry, and pork constitutes over 90 percent of China's total meat production. Total output of hogs and pork places China in first place worldwide. Total head of hogs, sheep, and cattle give China one-seventh of the world's total with total production of pork, mutton, and beef amounting to 13.5 million tons, one-ninth of the world's total. China's hog bristles and casings, feathers, wool, honey, rabbit fur, and rabbit meat sales are first in the world.

Development of China's livestock industry has seen a change from comparative shortages over the past decade for meat and eggs--a welcome event. Except for in a few places, there are ample supplies of pork and eggs in the brisk seasons in state-run stores throughout the nation, and market trade and volumes of meat exchange have been growing yearly. A change is beginning to take place in the diet of the people. In 1982 the average person ate 27 jin of meat, which was a 3.5-fold increase from 1949. On the basis of meat per capita, China placed 118th out of more than 150 nations before 1976, while over the past 3 years it has gone up to 98th.

Looking back over the path which livestock industry development has taken over the past 3 decades and then looking ahead, we have profoundly summarized experiences and learned lessons; and the prospects for future developments in the livestock industry look good.

Right after liberation, the policy of profit to both the tender and the owner of livestock was implemented in grazing areas, and taxes were lowered in both farm and grazing areas to help restore the economy. Policies raising the price of meat products and issuing loans for livestock were implemented. The State Council passed a policy for hog-raising of "private ownership, private raising, with public assistance." They raised the selling price of live hogs by 15 percent. In 1957, the number of hogs raised increased by over 60 million. This was the first boom for China's farm and grazing regions.

From 1963 to 1966, China implemented "readjusting, restructuring, replenishing, and improving" as a four-point policy, and promulgated a "Draft Revision for the Rural People's Communes" in 60 sections. With cutbacks in agriculture came cutbacks in the livestock industry, and the policy of "private raising as primary, with public and private in tandem" was implemented. The central leadership also formulated a "Decision on Raising Large Domestic Animals", advocating a policy of incentives for those raising animals. In 1963, the central leadership issued 40 rules on the livestock industry. A national grazing region working committee was convened in Nei Monggol, and various livestock projects in grazing regions were incorporated into the policy of "making grazing a priority, with ancillary livestock production and development of a diversified economy." Livestock industry production underwent a rapid restoration and development in this second boom period.

The best and most unique boom period for China's livestock began in the late seventies after the "Gang of Four" was smashed. Especially after the 3d Plenum of the 11th CPC Central Committee relaxed policies in rural and grazing areas. The diversified, large output-related responsibility system was vigorously promoted for livestock raising, which to differing degrees neutralized the negative factor of eating "from the big bowl." It was founded on incentives for commune members and households to develop the livestock industry broadly, with support for specialized livestock-raising. The state also adopted policies adjusting prices, with reduced prices on sales during brisk seasons, and providing subsidies and stabilization to hog-raising, thereby protecting the enthusiasm of the livestock-raisers. Within unified state planning, the broad mass of farmers and herders gained greater autonomy over production. There was a turn away from the unscientific methods of unvaryingly striving for greater numbers of livestock on hand while failing to increase terminal products. The slaughter rate went up for hogs and the average weight at slaughter and total weight of meat produced went up, with manifest economic results.

II. Comprehensive Divisions in China's Livestock Industry

China is a vast land with great regional differences. China can be split up into seven regions based on the four major factors of feed source, natural environment, feed technology and demands of society in order to facilitate suiting livestock industry production and construction to local circumstances, bringing regional advantages into play, and summarizing the lessons gleaned in livestock industry production and construction since liberation. The divisional criteria are:

1. Feed sources: feed is the material foundation for the livestock industry. Digestive physiology differs from one domestic animal to another, as does their ability to use different feeds. Because type, volume and nutritional makeup of feed varies from region to region, this leads to differences in the type, volume, and distribution of domestic animals in different areas, such as the different distributions for hogs and wool-bearing sheep. To overlook differences in types of volumes of feeds for different regions and an unvarying advocacy for raising hogs and upgrading the rate-on-hand is unscientific and, as experience has demonstrated, unfeasible. Adjusting to local conditions, one must proceed from local types and volumes of feed as an actual starting point in raising the appropriate domestic animals.

2. Natural environment: Domestic animals are living organisms affected by such natural factors as light, heat, water, air, and soil. Regional differences in these factors lead to differences in distribution of domestic animals. such as those between water buffalo, yaks and camels. To overlook these regional environmental differences will lead to all kinds of working difficulties. Therefore, areas must be selected according the local natural environment for bringing in species from outside the region.

3. Feed technology: This incorporates traditional techniques gleaned from accumulated practical experience and modern scientific technology gathered

through experimentation. Where the appropriate feed conditions exist, feed technology can reduce the unfavorable impact of the natural environment to a certain extent.

4. Social requirements: This is multifaceted. Moreover, these requirements vary from region to region. To overlook the diversity of such factors and to fail to coordinate between the livestock commodities produced between regions can lead to a loss of quality, surpluses or sellouts. Therefore, social requirements must be coordinated with livestock production in order to ensure stable development. The regional differences for domestic animals which are commodities and for livestock products produced from them is the foundation for regional specialization in commodity production. By building commodity bases on this foundation, we accelerate the process of specialization.

These four factors are interrelated. How then, do we comprehensively divide China into regions?

1. Based on regional differences in feed sources and social requirements, the nation forms two parts: that using natural grasslands for grazing and relying upon it for a livelihood, and that employing farm products to feed livestock along with grazing on natural grasslands to make use of animal power, and obtain meat and other products.

2. Grazing areas can be split on the basis of regional variations into those at chilly high elevations on the Xizang-Qinghai massif and those in the arid Monggol-Xinjiang plateau. In the former region, grazing technology is primarily traditional with little input from new technology. The primary commodities are felt, meat from Tibetan goats, milk, wool, and fox fur. In the latter region, there is a traditional technological foundation which can be a producing region for fleece, cashmere and leather from wool-bearing mountain goats of national distribution. This is also the primary region for raising horses and camels.

3. In the regions using farm products to raise livestock along with grazing on natural grasslands, a split can be made based upon the source of feed and the natural environment. The eastern strip is flatland and hills where farming is well developed, there is much arable land and little grassland and most feed is produced on the farm. The western portion is plateau or mountainous where farming is not well-developed. There is much grassland and little farmland. The best feed comes from the field with forage from grasslands. It is an intermediary region between farms and grasslands.

4. The central region, divided according to natural environment and feed technology into a northern and a southern portion. The north is the chilly, arid loess plateau; the south is the temperate, humid southwest mountain region. The loess plateau region has as its products one-fourth of the nation's total output of fleece, cashmere, fox fur, leather, and draft animals. The mountainous southwest produces abundant meat, cattle, and water buffalo.

5. The primarily agricultural eastern region. This can be divided into three regions--north, central, and southern--based upon natural environment and feed

technology. The northern region is the chilly northeast. The central is the temperate coastal region and the southern is the torrid southeast. The northeast is the traditional grazing land which now joins feed and grazing into combined operations. The primary livestock products are milk, improved sheep wool and large draft horses. The coastal region produces abundant pork, wool, and cattle and sheepskins. The southeast is the nation's primary hog-raising region, amounting to more than one-fourth of the nation's total. It also produces a large amount of water buffalo and water bird products.

The above overall division into seven regions is as follows: The Qing-zang massif region, the Meng-xin plateau, the loess plateau, the mountains of the southwest, the northeast, the coastal region, and the southeast. Each region can be divided into secondary levels. Moreover, the divisions can also be done more traditionally into grazing, semigrazing, semifarming, farming, and urban-industrial-mining regions. The four large grazing areas are the Nei Monggol prairie, the Xinjiang grassland, Tibetan grassland, and Qinghai grassland. Or else, the Gansu grassland can be added as a fifth major grazing area.

12303/12379
CSO: 4007/30

DEVELOPMENT OF FEED INDUSTRY DISCUSSED

Beijing ZHONGGUO XIANGZHEN QIYE BAO in Chinese 10 Aug 85 p 2

/Article: "Tackling the Feed Industry and Accelerating the Transformation of Grain To Provide Meat, Fish, and Dairy Products for Urban and Rural Populations; Push the Feed Industry into a New Stage of Development; Construction of Feed Processing Plants Depends Primarily on Local, Departmental, Rural and Township Enterprises, and Individual Channels for Capital Accumulation"/

/Text/ On 17 July, Chairman Li Ruishan /2621 3843 1472/ of the China Feed Industry Commission gave a report to the national meeting of the Commission entitled "Conscientiously Implementing the Program for Development of the Nation's Feed Industry between 1984 and 2000 and Speeding up Development of China's Feed Industry (Draft)."

This report summarized the current situation of the nation's feed industry, and held that it had developed gradually from nothing to reach a good starting point. Among the several ideas suggested concerning the "Program," Comrade Li pointed out that its conscientious implementation devolved upon the following major issues:

1. Raising Awareness Toward Development of the Feed Industry: This is of paramount significance for bringing about modernization of the livestock industry, promoting production of livestock, poultry and fish; fulfilling rural and urban demand; improving the people's livelihood; increasing farm income; transforming grain into meat, eggs, milk and fish; providing raw materials for light industries and foodstuffs; further intensifying development of farm sideline processing; realizing a beneficial cycle for agriculture, and developing the national economy as a whole.

Leading comrades in the central leadership have indicated that it is impossible to rely solely on planting if farming is to redouble. It should also rely first upon the livestock industry and second on forestry and orchards. Redoubling agricultural output value requires vigorous development of the livestock industry and concomitant development of the feed industry. At the present time, adjustments in the makeup of rural production entail a change in the proportions of planting to livestock raising, forestry, rural and township enterprises, and other forms of operations which have persisted for a long time to make them more rational and bring about faster economic development. Vigorous development the feed industry and promoting development of the livestock industry are important measures for redoubling agricultural output value.

2. Proceed from Actual Circumstances and Along China's Own Road to Development: What is meant by our own road to development is that we should proceed from China's national situation to develop the feed industry with correct principles and policies. These include:

Comprehensive planning and rational arrangement of basic construction of the feed industry. Large, middle, and small-scale construction should be coordinated, with emphasis on middle and small. There should be appropriate concentration of the additives industry. In urban centers, the focus should be on plants for premixing additives and on large and midsized compound feed plants. In the broad mass of villages at the county and subcounty level, depending on conditions, focus should be on small-scale feed-processing plants.

Arrangement of plant sites should take fully into consideration conditions in the livestock industry, raw materials, energy and transportation, which are the basic considerations for developing a feed industry. Construction should take place as close to livestock and raw materials bases as feasible. Production operations should be liberalized and lively. "Liberalized" means that multiple channels of capital accumulation, of factory types, and of economic components should be employed. Departments, regions, the state, collectives, and individuals can all get involved in the feed industry. "Lively" means that the role of market adjustments should be brought fully into play, and the shortcomings of compartmentalization and independent operation overcome. Administrative boundaries should be broken and business conducted according to economic laws. Circulation relationships should be opened up and economic cooperation fostered.

3. Planning and Arrangements Should Be Done Well in Order To Set up a Feed Industry System for China at a Steady Pace: The "Program" indicated a priority goal for struggle in the feed industry: to increase planned production capacity for compound and mixed feeds to 50 million tons by 1990 and to 200 million tons by 2000. Within this overall plan, two stages of construction are to take place. Between 1984 and 1990, primary emphasis will be on creating conditions, building bases, and gradually constructing an initial feed industry system. The second 10-year stage calls for bringing the feed industry into a period of reinvigoration. China's feed industry got off to a rather late start, but that start is from a higher plane, relying on advanced levels of technology from at home and abroad to achieve more rapid development. Currently, all regions and departments should begin by clarifying resource bases, and according to particular economic and technological capabilities, formulate realistic plans for concrete development in the near future and work to accumulate funds and raw materials.

Construction of feed-processing plants should primarily rely upon the efforts of local, departmental, rural and township enterprise and individual channels. The size of the plant should proceed from actual needs, and take into consideration raw materials, livestock raising, and transportation radius. The scale should be appropriately larger in urban perimeters, with midsized plants in midsized cities and smaller ones in the broad mass of villages.

The feed industry is a new one for China. Many issues require recognition and study. The task of developing China's feed industry is a tremendous one.

Comrade Li emphasized finally that if only we study and come to comprehend the relevant directives of the central leadership, steadfastly and conscientiously implement the "Program," mobilize various strengths, and bring comrades from the industry as a whole together in a common struggle and spirit of contest to open up the way, we can undoubtedly push development of China's feed industry into a new stage.

12303/12228
CSO: 4007/443

PRC REDUCES COTTON PRODUCTION BY ABOUT 1.8 MILLION TONS

HK110831 Beijing CHINA DAILY in English 11 Dec 85 p 3

[Text] For the first time in its agricultural history, China has deliberately cut down its cotton production by about 1.8 million tons this year to ease a "cotton glut" in its rural areas, the recent All-China Agricultural Information Conference was told.

Cotton output reached a record 6.26 million tons last year, or three times the 2.17 million tons produced in 1978, while the total acreage of the country's cotton farms increased only from 4.86 million hectares to 5.19 million hectares during the same period.

This year, the country has deliberatly reduced its cotton farms by 1.73 million hectares to cut down the cotton crop.

The action was taken as part of an adjustment programme to reduce the mounting inventory in the country's cotton stocks, which had prevented the provincial purchasing agents from buying more cotton from the farmers, who have been anxious to sell their surplus cotton.

Meanwhile, the farmers, who had followed the State advice to stop planting cotton in an extensive area across Hebei, Henan, Shandong, Shanxi, Shaanxi, Hubei, Anhui, Jiangsu, Hunan, Jiangxi provinces and the Xinjiang Uygur Autonomous Region, have been encouraged to turn to producing vegetables, grain or other cash crops.

The adjustment programme has proved successful, as fast growth in incomes from other farm produce has more than offset their loss from the cotton crop, the conference was told.

In Shandong Province, where a total of 533,000 hectares of cotton farm was converted to producing grain and other cash crops, the total agricultural output value this year is expected to exceed last year's by 200 million yuan--after offsetting an estimated loss of 1.9 billion yuan in the cotton crop. The favourable development was mainly due to an increase of more than 600,000 tons in the grain crop in addition to the doubling of peanut, flax and fruit crops.

Hebei Province, which had converted 200,000 hectares from cotton into grain, has also registered an increase of 500,000 tons in grain output this year.

While encouraging the farmers to grow more grain and other cash crops, the provincial agricultural agencies also helped them develop sideline industries by providing them with technical and marketing information or material assistance. This has resulted in more brisk trading in the rural market and a new farm produce boom in Jinan and other cities in Shandong Province.

The reduction in cotton planting this year had focused on eliminating inferior species and preserving high-grade species of cotton. This has resulted in a better quality of cotton, according to officials of the agricultural department. The improvement in quality will help expand the market for the country's cotton products, according to ECONOMIC DAILY.

/12913
CSO: 4020/132

BRIEFS

FRUIT HARVEST, SALES PROMISING--This year there will be a good fruit harvest in China; estimated total fruit output will increase about 10 percent compared to last year. With the exception of a few provinces such as Liaoning and Hunan, all other provinces will have increases of different degrees. Fruit production increases in Hebei, Zhejiang, Fujian, Jiangxi, Henan, Hubei, Guangdong, Guangxi, and Gansu exceeded 10 percent this year, and increases in Henan reached 50 percent. Apple production in Hebei is estimated to increase about 35 percent to 6.7 million dan. Apple production in Jiangxi will increase more than 30 percent to 3.2 million dan. Apple production in Henan is estimated to be 5 million dan, an increase of 40 percent. Apple production in Shandong will also increase, with Tai'an City showing a 100 percent increase to 1.6 million dan compared to last year. With the exception of Hunan and Guangxi, other southern citrus fruit-producing provinces will all increase their production. Zhejiang and Hubei will increase production 20 percent and Fujian and Sichuan will also have relatively large increases. Although fruit production increased this year, the selling price of fruits in most areas will be higher than last year because demand has increased. For example, the average price for citrus fruit in Jiangxi is 0.1 yuan per jin higher than last year, and the average price for fruit in Guangxi is more than 15 percent higher than last year. Fruit sales this year are generally quite good. [Text] [Beijing ZHONGGUO CUNZHEN BAIYE XINXIBAO in Chinese 20 Oct 85 p 1] 13015/12781

SUNFLOWER SEED PRODUCTION--In the past few years, the production of sunflower seeds has grown rapidly in China. Based on preliminary statistics from Jilin, Heilongjiang, Liaoning, Nei Monggol, and Xinjiang, this year the sown area is nearly 14 million mu, an increase of more than 2 million mu over last year. Nei Monggol has increased its area the most, other provinces and regions are basically maintaining last year's level or have slight increases. [Excerpt] [Beijing ZHONGGUO CUNZHEN BAIYE XINXI BAO in Chinese 14 Dec 85 p 2]

RURAL SAVINGS INCREASED--Beijing, January 9 (XINHUA)--Rural savings deposits in China totalled 72 billion yuan at the end of 1985, 18.1 billion--or 34 percent--more than a year earlier, officials of the Agricultural Bank of China said today. Bank officials attributed the growth in savings to increasing rural prosperity and to the greater number of savings options and offices in rural areas. Last year, China's gross agricultural output value rose 10 percent--to 370 billion yuan--while farmers' per capita income rose 13 percent last year--to 400 yuan--according to the Ministry of Agriculture, Animal Husbandry and Fisheries. [Text] [Beijing XINHUA in English 1452 GMT 9 Jan 86 OW] /8918

SODIUM ALGINATE PRODUCTION--Dalian, 10 December (XINHUA)--China will strive to produce more sodium alginate, a low-calorie additive made from kelp, for its food industry. The decision was reached at a national meeting which ended here yesterday. The soluable compound is able to absorb fat in the human body while reducing the cholesterol content, according to experts attending the meeting. China annually produces 1.4 million tons of kelp. The meeting called for retooling of the 33 existing acquatic product processing enterprises to increase the output of sodium alginate. [Text] [Beijing XINHUA in English 1517 GMT 10 Dec 85 OW] /12913

RADIATION SEED BREEDING--Beijing, 15 December (XINHUA)--China has obtained more than 170 new strains of grain, cotton and vegetables by radiation breeding, becoming the world's leader in seed breeding by the method of induced mutation, according to the China Society of Nuclear Agronomy. Seed experts said that the new strains account for one-third of the world total that have been obtained through induced mutation. Radiation seed breeding began in China in the late 1950s, nearly three decades later than in other countries. The new varieties have been grown on more than 8.7 million hectares. They include "Yuanfeng Zao' high-yield rice, "Lumian No. I" cotton, and "Shannong Fu No, 63" wheat. [Text] [Beijing XINHUA in English 0700 GMT 15 Dec 85 OW] /12913

CSO: 4020/132

SOUTHERN HILLY AREAS BOOST COMMODITY PRODUCTION

OW290302 Beijing XINHUA in English 0222 GMT 29 Sep 85

[Text] Guangzhou, 29 September (XINHUA)--Many tranquil towns in hilly areas of Southern China have now become bubbling trading centers with the development of commodity production over the past few years.

Since rural economic reforms were put into effect in 1979, peasants in these areas have boosted the production of farm and sideline products, including fungus, mushrooms, chestnuts, dried bamboo shoots, pelts, pharmaceutical herbs, fruit, poultry and pigs.

Peasants sell their products in towns and commercial departments then transport them to Guangzhou, Shenzhen, Shantou and other cities, and overseas.

In the hilly areas of Guangdong province, the commodity rate of farm and forestry production has gone up to 60 percent now from 40 percent three years ago, according to the province's commercial department.

Every day, about 20,000 to 30,000 peasants sell their products and buy manufactured goods in Xingning county town in Eastern Guangdong.

The county government has built specialised trading markets with a floor space of 22,700 square meters for them. There are a dozen hotels to accommodate not only local peasants but also business people from other parts of the province and even from neighboring provinces.

In 1984, farm and sideline products purchased by the local wholesale shop came to 10,845 tons, worth more than 30 million yuan, 40 percent up from the figure for the previous year. This year's purchases have exceeded the total of 1984 in quantity and revenue, a county official said.

Now, over 70 percent of the county's families have built new houses. Such manufactured goods as bicycles, motorcycles, sewing machines, radio and television sets, electric fans, wrist watches, clocks, leather shoes, garments, small tractors and trucks, steel furniture and plastic goods sell well in the county town. The sales value amounted to 24 million yuan last year.

Commodity production has also promoted transport, tourism and catering services.

/12913
CSO: 4020/132

ANHUI GOVERNOR ON SECOND-STAGE RURAL REFORM

OW181144 Hefei Anhui Provincial Service in Mandarin 1100 GMT 15 Dec 85

[Excerpts] From 5 to 8 December, responsible party and government comrades of our province Wang Yuzhao and Lu Rongjing led responsible comrades from the provincial departments concerned and from the prefectures, cities, and counties on the southern bank of Huai He to tour Chuxian Prefecture and inspect the economic development work in its countryside.

After making significant achievements in its first-stage rural reform, Chuxian Prefecture has taken new strides on the road of the second-stage reform. Breakthroughs have been made in developing agriculture, forestry, animal husbandry, sideline production, and fisheries. Gratifying results have been achieved in promoting all undertakings, including industry, commerce, transportation, building business, and service trade.

During the tour, Lu Rongjing, deputy secretary of the provincial CPC Committee, fully affirmed the success of reform carried out in Chuxian Prefecture. He said that the prefecture had achieved striking success and gained comprehensive experience in carrying out the second-stage rural reform. Its example is worth emulating by all localities, he added.

At an on-the-spot, meeting, Governor Wang Yuzhao made a summing-up speech. He said: In the second-stage rural reform, Chuxian Prefecture has strengthened leadership, persisted in carrying out the reform, and given appropriate directions. As a result, output of grain and cash crops has increased steadily. The prefecture's experience is worth learning and using as reference. On the questions of whether it is necessary to strengthen leadership over the second-stage rural reform and how to strengthen leadership in this respect, a few comrades still have various incorrect understandings, and this matter should be earnestly dealt with. Some comrades said that with production contracts signed with households, there was nothing left for the cadres to do. This is a lopsided view, which means giving up leadership. Others said that with each household doing production work on its own, it was extremely hard to strengthen leadership over production. This is a manifestation of fear of difficulty, and in reality it underestimates the ideological consciousness of the masses of peasants. There are also some comrades who are obsessed with lingering fear and dare not exercise leadership. They are afraid that if they strengthen their leadership, they would be mistaken as giving arbitrary and impracticable instructions, and if they lead a cooperative campaign to harness a river, they would be described as carrying out the practice of egalitarianism and indiscriminate transfer of resources. This is to confuse correct leadership with arbitrary and impracticable instructions. It should be noted that when we lead the second-stage reform in the countryside, we will inevitably meet with interferences and problems of one kind or another. The proper way to deal with this matter is to keep to the mass line, constantly sum up the practice and experience of the masses according to the principle of seeking truth from facts, and use reformative measures to do away with interferences and solve the problems arising in the reform.

Governor Wang Yuzhao stressed: To successfully lead the second-stage rural reform and ensure the smooth progress in adjusting the production structure in the countryside, the leadership at all levels must uphold the following principles:

1. It is necessary to ensure that grain production is maintained at a stable level, sometimes with a little rise. Recently the central authorities have said that the type of our agriculture should be changed. That is, the previous unitary grain-type agriculture should be changed to a plant-growing undertaking covering grain crops, cash crops, and fodder crops. The pure plant-growing undertaking should be changed to an ecological-type agriculture characterized by all-round development of farming, forestry, animal husbandry, sideline production, and fisheries. The pure biological reproduction agriculture should be changed to a complex agriculture associated with economic reproduction, and this means that we should embark on the road of integration of crop growing, animal breeding, and processing as well as combination of the work of production, supply, and marketing. In addition, we should gradually transform the small-scale production relying on manual labor into large-scale production using machines and expand the work of pure production to an integrated production process comprising production, circulation, distribution, and consumption of commodities. This will greatly improve the economic results of grain production.

2. Concrete plans for developing a diversified economy should be formulated on the basis of reality. Production patterns for various localities should be formulated on the basis of their respective natural and economic conditions and in accordance with their local ecological requirements. This will enable us to gradually achieve the goal of a self-sustained growth of agriculture and receive the best social, economic, and ecological benefits.

3. It is imperative to attach importance to science and technology. Agriculture is a big undertaking. It encompasses three components: agricultural ecology, agricultural science and technology, and agricultural economics. From this we can see the importance of science and technology in the development of agriculture.

4. Attention should be paid to economic benefits and more efforts should be devoted to economic accounting. We should not one-sidedly strive for a high output value, nor should we focus attention on the present results at the cost of ignoring the long-term interests. We should pay attention to both

the current interests and long-term interests and do a good job of the present work as a foundation for our work in the future so that our rural economy will always show a good trend of steady development.

5. It is necessary to actively guide peasants to develop cooperative economy and follow the path of becoming well-to-do together. In developing rural economy, we must implement the dual system of unified and decentralized management. It should be clearly pointed out that the system of contracted responsibilities on the household basis with remuneration linked to output is a long-term policy of the party. No one can change this policy against the will of the people. We still uphold the policy of allowing some people to become rich first. At the same time, we must create opportunities and conditions to help everyone become rich.

In conclusion Comrade Wang Yuzhao also made arrangements for doing rural work this winter and next spring. He called on various localities to lose no time in developing water conservancy projects, strengthening field management of various crops, planting more trees, building roads, invigorating village and township enterprises, carrying out part rectification in the countryside, encouraging planned parenthood, and doing a good job to maintain social order.

He said: How can we carry out the aforementioned work well? The leadership at all levels must learn to "play the piano," make overall arrangements, and strengthen cooperation with each other. Efforts must be made to act in line with local conditions, make early preparations, and take the initiative in doing things. We must improve our style of work, vigorously implement our policies from the beginning to the end, and increase work efficiency. It is essential to promote the personal responsibility system and continuously ensure that such system is implemented on a sound basis.

In short, we must promote both material civilization and spiritual civilization in a down-to-earth manner in the rural areas and further develop the favorable situation in the countryside of Anhui.

/8918
CSO: 4007/148

DIVERSIFICATION BRINGS PROFITS FOR STATE TREE FARMS

Hefei ANHUI RIBAO in Chinese 14 Jul 85 p 1

[Article: "Anhui's State-Run Tree Farms Come to Life: Focus on Primary Enterprise Linked to Operations in Other Areas"]

[Text] Last year, Anhui's forestry departments geared up for development of optimal economic activities focused on diversified operations on the provinces 113 state-run tree farms, turning from the pure forestry activity production model to one with central focus on the primary industry linked to operations in other areas. This was a change from the situation for a long time in the past in which reliance was placed on state investment for the development of production.

Most of Anhui's state-run tree farms were set up in the late fifties. For many years now, these state-run farms have relied on basic construction by the state for carrying out production. They have stuck to a unitary production model--planting sprouts and building forests--for a long period. This resulted in a passive production picture in which the amount of work done was measured by how much money was paid in by the state. In the last few years, as the amount of state investment was reduced annually, developing production on these state-run tree farms ran into trouble. Some farms in the eastern hilly areas of the province and on the plains north of the Huai He reached a situation in which state investment funds were almost entirely for wages and forestry production came just about to a standstill because most of the forests were artificially created ones which were still immature and there were insufficient forest resources to be harvested.

Forestry departments felt that if the pattern of eating from the big bowl of the state were not broken on these farms, the chronic unitary production picture of nursing sprouts for reforestation could never be changed and these tree farms would never be able to break out of poverty. Last year, the provincial forestry bureau organized for optimal economic activity built around the development of diversified operations as the central focus, resulting in the rapid appearance of a group of state-run tree farms with good production results and high economic returns.

The state-run tree farm on Langye Mountain in Quzhou is a large one with more than 200 workers. Yearly investment by the state in the past was more than 50,000 yuan. This fell to 32,000, last year, while the total monthly wage outlay topped 10,000 yuan, so that expenses could not be covered. The farm took advantage of its proximity to Nanjing to go into large-scale production of flowers and seedlings. In a single year, income from this project reached 200,000 yuan, amounting to 29 percent of gross income. Right now, the discount price of plants in its nurseries is approximately 300,000 yuan. The state-run Yeshan tree fram, situated in the nonferrous metal base at Tongling, relied on state funds for its "forestry" operations for many years, which was maintained despite its lack of profits. Over the last few years, open pit coal mines have been started on this hill country farm; and last year, gross output value surpassed 430,000 yuan for a net profit of 110,000 yuan.

Managing state-run tree farms with state funds has led to "stagnation and death." When they are run on their own, they come to life. Last year, these tree farms throughout Anhui engaged in 10 major production and operation projects, such as planting, transplanting, transport, milling and tourism. They built almost 300 small factories of various types and produced several hundred products. Diversified operations and comprehensive utilization of wood on these farms led to the creation of 10.54 million yuan of output value, which was up from 17 percent of gross output in 1974 to 42 percent last year. Per capita income reached 784 yuan, almost 100 yuan higher than in 1983. The amount of worker welfare and incentive funds withheld from the income of these diversified operations reached 2.97 million yuan, which vastly improved the life of workers on these farms.

12303/13104
CSO: 4007/436

ANHUI

BRIEFS

AUTUMN SOWING TASKS--As of 28 November, Anhui had basically concluded autumn planting tasks. Based on preliminary statistics, 31.8 million mu of summer grain was planted, accounting for 99.4 percent of the planned amount, a 560,000 mu expansion of acreage in real terms; 12.9 million mu of rape were planted, accounting for 107.5 percent of the planned amount, a 800,000 mu expansion of acreage in real terms; more than 5.7 million mu of green manure were planted, the same as last year.However, because of an unbroken spell of wet weather, the quality of this year's autumn crops is not high, the specific gravity of late sown wheat was heavy, base fertilizer was insufficient, some wheat sprouts are growing unevenly, and there are many weeds in the fields. All areas are adopting remedial measures to deal with these problems. [Excerpts] [Hefei ANHUI RIBAO in Chinese 1 Dec 85 p 1]

CSO: 4007/186

BRIEFS

GRAIN OUTPUT IN BEIJING--The suburbs of Beijing have had another bumper grain harvest this year. Total output exceeded 4.2 billion jin, the second highest yield in the past 30-plus years. The suburbs of Beijing primarily produce nonstaple food; from 1979 until this year the area of grain fields decreased from 4.96 million to 4.71 million mu, but grain yields increased from 3.45 billion to more than 4.2 billion jin. [Text] [Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 18 Nov 85 p 1] 12919/13104

CSO: 4007/97

FUJIAN URGES BETTER WATER CONSERVANCY MANAGEMENT

OW160559 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 14 Dec 85

[Text] In a circular issued today, the provincial government requests all localities to strengthen management over water conservancy works in an effort to consolidate the achievements the province has thus far made in water conservancy construction. The circular states:

Some 380,000 water conservancy projects of various kinds have been built in our province since the founding of the People's Republic. These projects have played an enormous role in promoting the development of agricultural and industrial production in the province. In the past few years, however, many water conservancy works have yielded less benefit than before because of lax management of these projects. Therefore, it is requested that all localities include in their work agenda the consolidation of their current achievements in water conservancy construction and make serious efforts to strengthen their leadership in this respect. A general investigation of all water conservancy works should be conducted, and repairs made wherever necessary. It is imperative that we overcome the idea of paying more attention to construction than management. Every effort should be made to improve management work, and emphasis should be shifted to management in arranging the use of the technical work force, funds, and supplies.

Water conservancy departments at all levels are requested to step up propaganda work on laws and regulations with respect to water conservancy and earnestly carry out their functions and responsibilities. Any unit or individual illegally occupying or undermining water conservancy works or stealing from their facilities should be seriously investigated and dealt with. Acts constituting a crime must be punished by the political and judicial organs according to law.

The area to benefit from irrigation and from each water conservancy project should be reasonably defined and well managed. Management organizations, combining professional management and management by the masses, should be established and improved in all irrigated areas, especially in large- and medium-sized irrigated areas. They should set up a water utilization system and enact village regulations and people's rules to ensure that water is used in a planned way for better economic results.

/9599
CSO: 4007/127

RUMORS OF CHANGE IN PIG PROCUREMENT POLICY DENIED

HK180333 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 13 Dec 85

[Text] (Bai Shanhua), contributing correspondent of this station, recently wrote a letter to our editorial department reporting that the phenomenon of indiscriminately slaughtering pigs in some places in Yangshan County has occurred recently. He appealed to the peasants to trust the policies and feel confident about raising pigs.

The letter says: with the New Year soon to begin, an abnormal phenomenon of indiscriminately slaughtering pigs has occurred in some districts and townships in the northern part of Yangshan County. The reason is that it has been rumored in society that the policy on assigned procurement of pigs will be reinstated next year. Some peasant households who do not know the facts, are afraid of suffering, and are indiscriminately slaughtering pigs before the New Year. As a result, the supply of pork in the market in these places is now markedly increasing and the prices are falling sharply. Investigation shows that the number of pork stalls in (Litou) Market on 27 November increased from the 30 to 40 on ordinary days to 56; the amount of pork supplied increased from the 3,000 to 4,000 jin in the past to nearly 10,000 jin; and the prices of pork fell markedly. A similar phenomenon has also occurred in varying degrees in seven to eight adjacent districts and in the neighboring counties.

The letter says: Since discovering this situation, the county Industrial and Commercial Department has been patiently explaining things to the masses. Departments concerned in the county and all districts have immediately and repeatedly disseminated to the peasants the spirit of CPC Central Committee Document No 1, 1985, so as to bring the development of the situation under control.

After receiving the letter from Comrade (Bai Shanhua), the editorial department of this station immediately sent a reporter to interview responsible departments of the Provincial People's Government, which point out: The policy on the procurement and marketing of pigs next year will be the same as this year and will not change. We are still adhering to the policy of abolishing the system of assigned procurement, implementing the system of procurement and marketing on the basis of negotiated prices, and doing business through many channels. The provincial conference on pig work held at the end of November has already reiterated this policy and demanded that all places resolutely implement this policy. It is hoped that the peasants will trust the party's policies, not listen to the rumors, be confident about raising pigs and vigorously develop the pig-breeding trade.

/8918
CSO: 4007/148

GUANGDONG

BRIEFS

HAINAN CROP OUTPUTS DEVELOP--In Hainan Li-Miao Autonomous Prefecture in Hainan Region, the proportion of grain to other industrial crops cultivated before 1980 was 9 to 1 but is now 7 to 3. According to statistics, the autonomous prefecture's gross agricultural output value in 1980 was 200.52 million yuan but has reached 407.47 million yuan this year. The production of grain over the past five years has increased by a total of 590 million jin and output of various industrial crops has also increased greatly. The autonomous prefecture's output of sugarcane in 1980 was only 150,000 tons. By this year, the sugarcane growing area had increased by 100,000 mu a year. Output of sugarcane has reached some 1.4 million tons. The rubber tree planted area has increased by some 50,000 mu a year. The area of rubber trees owned by collectives in the whole autonomous prefecture has reached some 300,000 mu. The autonomous prefecture is basically self-sufficient in oil-bearing crops. In the wake of the rapid development of agricultural and commodity production, the income of people of all nationalities in the autonomous prefecture have generally increased. Peasants' per capita income in 1980 was 80 yuan but is some 300 yuan this year. [Summary] [Haikou Hainan Island Service in Mandarin 0400 GMT 9 Dec 85 HK] /9599

CSO: 4007/127

GUANGXI HOLDS TELEPHONE CONFERENCE ON GRAIN WORK

HK070352 Nanning Guangxi Regional Service in Mandarin 1100 GMT 5 Jan 86

[Text] At a recent regional telephone conference on grain work, Comrade Wei Chunshu, deputy secretary of the Regional CPC Committee and chairman of the regional government, stressed that grain purchase contracts are not only economic contracts, but also tasks assigned by the state. It is necessary to grasp in an all-round way the work of putting grain in storage and selling grain.

Comrade Wei Chunshu stressed that the change from the state monopoly in grain purchases to the purchase of grain by contracts is correct, but this reform has just gotten onto the right track. It takes time to gradually change an imperfect contract system into a genuine economic contract system. What we can do at this stage is to treat grain purchase contracts as economic contracts as well as state tasks which must be fulfilled. In view of the decrease in grain output of the region due to natural disasters, the Regional CPC Committee and people's government have readjusted the grain purchase targets and formulated a corresponding policy of submitting money instead of grain where the grain purchase task is assigned. This adheres to the principle of seeking truth from facts and corresponds to the spirit of the instructions given by the leading comrades of the State Council on grain purchase by contracts.

Comrade Wei Chunshu demanded that CPC Committee and governments at all levels, on the basis of unifying their ideas and deepening their understanding, properly carry out propaganda work and conduct education among grass-roots cadres and the masses, explain the truth about grain work, seriously strengthen their leadership over the work of putting grain in storage, earnestly implement the various policies and measures formulated by the region, and ensure the fulfillment of the readjusted task of grain purchase by contract and grain storage. Meanwhile, they must firmly grasp the sale of grain and properly arrange the people's lives.

/8918
CSO: 4007/187

BRIEFS

AEROSEEDED FORESTS--Nanning, 30 Nov (XINHUA)--Guangxi has 9.25 million mu of foretss sown from the air, with a timber reserve totaling 32.54 million cubic meters, according to the region's forestry bureau. [Summary] [Beijing XINHUA Domestic Service in Chinese 0304 GMT 28 Nov 85 OW] /9599

CSO: 4007/127

MODEL SCIENTIST AIDS GUIZHOU CITRUS GROWERS

OW071136 Beijing XINHUA in English 1112 GMT 7 Jan 86

[Text] Guiyang, January 7 (XINHUA)--Yu Yiliang, a woman horticulturist, has spent 27 years cultivating citrus fruits in Guizhou Province's remote mountains.

The Luodian County, inhabited mainly by people of the Bouyei minority nationality, has an annual average temperature of 20° C and a subtropical monsoon climate. It is a natural greenhouse, ideal for citrus fruits.

Though the local people began to cultivate citrus fruits 100 years ago, output and quality remained low because of degeneration of the fruit strains.

For the revival of the industry, the woman scientist and three workers carried fertile soil from four kilometers away on their shoulders and planted saplings of 33 fine varieties.

Now, the citrus institute headed by Yu Yiliang has an orchard of 20 hectares with 20,000 trees of 43 strains.

Five strains of oranges she cultivated have won first prizes at national appraisal meetings.

Based on her research findings and successful experimentation, she holds training classes, offers consultancy services and gives technical guidance on the spot.

Huang Chaozhi, a Bouyei peasant, was once poisoned by pesticide because he did not know how to use it. Hearing of this, Yu trekked for 2 hours to Huang's home and taught him about grafting, cultivation and field management, and control of pests and disease. Huang has become an expert in this field and now earns more than 3,000 yuan a year from fruit growing.

Citrus fruits are now the mainstay of the county's economy, with 600,000 orange trees yielding 450 tons of fruit last year.

More than 400 Bouyei people have become citrus technicians while more local households, once poverty-stricken, are well-off.

Yu said that her husband, also a horticulturist, has always supported her work. Her daughter and daughter-in-law are also engaged in cultivation of citrus fruits.

Her contribution has been praised by the local authorities and people. She was elected a representative to a national science meeting and delegate to the provincial people's congress. Her research project has won a provincial prize.

/8918
CSO: 4020/167

HEILONGJIANG INCREASES DAIRY PRODUCTION

OW050730 Beijing XINHUA in English 0650 GMT 5 Jan 86

[Text] Harbin, January 5 (XINHUA)--The output of dairy products in northeast China's Heilongjiang Province has been growing by leaps and bounds in recent years, according to an official of the province's light industry department.

Dairy product output in the province, which provides one fourth of the nation's total, in 1985 totalled 43 million liters, 13.5 percent higher than in 1984 and 300 percent more than in 1980, according [to] the department's statistics.

The province boasts 3.3 million hectares of grassland ideal for raising dairy cattle.

The province has adopted policies since 1979 to encourage families and individuals to raise dairy cattle under the responsibility system.

By the end of 1985 the province had 250,000 milch cows, a 17.3 percent increase over 1984 and a 290 percent increase over 1979. Privately owned dairy herds have increased from a total of 200 head to 230,000 head in the same period.

Governments at various levels have invested 150 million yuan for the renovation of 34 dairy factories and the building of 81 new ones. This has raised the milk-processing capacity of the province from 310,000 liters a day in 1979 to 2.1 million liters a day in 1985.

The varieties of dairy products have also increased from six or seven kinds to 20 kinds. Some of the products have been awarded national or provincial prizes and are exported to Europe and Hong Kong.

/8918
CSO: 4020/167

HEILONGJIANG

SECRETARY GIVES INSTRUCTIONS ON GRAIN, HOG PURCHASES

SK030518 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 2 Jan 86

[Excerpt] The Jiamusi City CPC Committee and government has urged all of its counties to organize and send personnel to rural areas to reexamine how the policies on grain and hog purchases and agricultural tax collection were implemented in 1985. On 25 December 1985, Sun Weiben, secretary of the provincial CPC Committee, wrote instructions in a report submitted by the Jiamusi City CPC Committee and government on fulfilling the 1985 tasks for grain purchases and recalling agricultural loans. The instructions state: Jiamuxi City has fulfilled these two tasks very successfully and should be commended. What is important at present is that it should reexamine how policies were implemented after fulfilling the tasks, and earnestly make arrangements for 1986 production and for the people's lives. This work should be carried out more meticulously because we suffered disasters last year.

According to the plans of the Jiamusi City CPC Committee and government, the various counties are urged to do the following work:

1. They should conscientiously reexamine the policy on grain purchases to see if there were any phenomena of apportionment in violation of the purchasing contracts, and if relief grain was allocated in a timely manner and delivered to households of the areas heavily stricken by disasters where food grain was not sufficient. In disaster areas where the purchasing contracts cannot be fulfilled, they should reduce the contracted amount of grain to be purchased in a realistic manner, make good arrangement for food grain, animal feed and seed supplies, and never purchase too much from households and then sell them what they need.

2. They should strictly forbid the practice of apportionment in hog purchases. Counties which already signed purchasing contracts should fulfill the contracts. In the course of fulfilling the contracts, they should urge both peasants to fulfill their tasks and state commercial units to live up to the contract terms as stipulated in the spring. In counties where contracts were not signed in the spring, purchases may be carried out at negotiated prices, but mandatory assignment of purchasing tasks must be forbidden.

3. They should step up the reexamination of agricultural taxes to see if the annual quota fixed by the province was rationally assigned to farms, villages, and peasant households, and if there was any practice of withholding and misusing taxes, and the practice of favoritism when granting tax reduction and exemption.

/8918
CSO: 4007/188

SEEDING WORK IMPROVEMENTS REPORTED

Beijing NONGMIN RIBAO in Chinese 18 Sep 85 p 1

[Article: "Heilongjiang's Manifest Results in Controlling the Haphazard Work of Seeding; Tight Management Organization and Implementation of Seeding Laws and Regulations; This Year's Planting of Improved Strains Reaches 77.6 Percent of Total Area Sown, of Which Effective, Small, and New Strains Constituted 30 Percent"]

[Text] Heilongjiang, which recently promulgated seeding laws and regulations and promoted them for over a year, enacting and implementing the "Heilongjiang Code for Management of Seeding for Agricultural Crops" (hereinafter called "the Code"), has succeeded in bringing order to a disruptive management of the seed market and upgraded seed supplies for all levels of its seed company. A recent survey of 24 counties in 7 prefectures and municipalities reveals that seed supply volumes for all levels of the seed company reached 300 million jin. Improved strains were planted on an area of 58,350,000 mu or 77.6 percent of the total area planted. Of this, effective, small, and new strains constituted around 30 percent. According to "the Code" regulations, Heilongjiang set up a Seed Management Bureau with offices and stations in all prefectures, cities, and counties. Since last winter, unauthorized requisition, propagation, sale and price increases, replacement of higher with lesser quality, and replacement of genuine with spurious seed have cropped up in seed management. All levels of seed-management sectors, in close coordination with industrial, commercial, administrative, and standards departments, have brought controls to seed management and prosecuted a number of cases in accordance with the law, protecting the legitimate rights and interests of those breeding, producing, and using seed. In 1 month alone, five cases of nonconforming resale of seed were strictly dealt with in Huanan County. The illegal profits confiscated and fines levied on units and individuals breaking the law improved awareness among the broad mass of cadres and farmers about understanding, abiding by, and enforcing the law. The operations commission in Erdaogou Township within the county blindly shipped in over 37,000 jin of "Heyu No 51" seed corn which gave off dust and was prohibited. Once they discovered the poor quality of this seed, they quickly stopped selling it.

According to "the Code" regulations, Heilongjiang has fully reaffirmed the primary role of state-run seed companies as channels for seend and have insisted that the seed supplied by the seed companies conform to "the five warranties": correct weights, improved type, seed uniformity, seed purity, and sprout rate. Units and individuals so authorized by the seed companies can also sell seed, but they must have a license, operations permit, and seed inspection conformation certificate.

In mid-August, the province convened a seed working commission to further sutdy the work of seed distribution. Vice Governor Wang Lianzheng [3769 6647 6927] reported to the meeting and asked that seed work throughout the province remain steadfast in upholding the law on seed controls, upgrade supplies, complete preparations early, and assure that new improved strains be popularized during the Seventh 5-Year Plan.

12303/12828
CSO: 4007/29

RURAL MECHANIZATION TRENDS DISCUSSED

Harbin HEILONGJIANG RIBAO in Chinese 6 Aug 85 p 2

/Article: "Mechanized Operation Modes and Development Trends in Heilongjiang"/

/Text/ After the implementation of the output-related contract responsibility system, a large amount of farm machinery ended up in the hands of peasants, with a number of different modes of management and operation appearing in different areas. Analyzing the advantages and disadvantages of these modes with a view toward future trends, and how existing farm machinery can best be managed and used is of some significance.

At the end of 1984, Heilongjiang had over 177,600 large and midsized tractors operated in five different modes: (1) individual household ownership, amounting to 58.7 percent; (2) joint household ownership, amounting to 24.3 percent; (3) collective ownership with assignment for operation, amounting to 15.6 percent; (4) collective ownership with unified operation, amounting to 1 percent, and (5) state ownership with operation by equipment stations, amounting to 0.4 percent. From this it can be seen that Heilongjiang has entered a new period characterized primarily by farmer autonomy over mechanization. There is approximately 1 tractor for some 30 households in the province. Looking at the five modes of operation mentioned above, tractors owned and operated by farm households constitute the large majority of all tractors owned throughout the province. Looking at the development of diversified modes of operation which are primarily run by households and joint households, the trend for future farm machinery assignments and management are as follows:

A. Management will be primarily by households or joint households, with multiple modes coexisting. The most recent surveys indicate a turnover of large tractors from collectives to individuals. There is a dramatic increase in household-owned and -operated machinery, with turnovers at the last fall harvest going up to 13,000 from some 5,000 in the previous half year. In some counties such as Baiquan and Keshan, almost all large tractors have been sold off to individuals. There are other places where cadres and masses are unwilling to condone such selloffs and still maintain collective ownership. Whether under assigned or unified operation, results have been good for these as well.

B. New cooperative ventures are appearing incessantly in response to the new style of farm machinery economic organization and its ceaseless development of commodity production. Some farm households engaged in mechanization have been willing to link up when they have encountered difficulties with funds, technology, equipment or operational management. Some have become actual economic entities with specific distribution relationships. From the present standpoint, this joint entity generally operates in the following modes. One is joint ownership and joint operation. That is, the joint households pool funds to buy an operation which they use in their own household production or provide as a service to others. Others involve a pooling of funds and technology, with those ignorant of the technology providing the money and those conversant with it operating the machines. A second mode is incorporation with the goal of upgrading economic returns and management levels. This mode does not start from the question of finding funds but from helping to upgrade management levels and facilitating production. In other cases, this mode is adopted by individual operators who link up after experiencing this kind of difficulty. This is a rather high-level mode of incorporation which occurs in three sets of circumstances. In one, several households link up to purchase or take assignment of equipment which had been in the brigade to provide comprehensive logistic services, storing stacks, drying wheat, winnowing, repairing or supplying fuel and parts. In a second mode, there is comprehensive, cooperative management, as for the three households in Xinfeng Village of Xihe Township in Keshan, which linked up to purchase 3 tractors, 1 combine, 15 pieces of farm equipment, milling equipment for rice and flour, and pulverizers, and joined for large, medium-sized, and small jobs, for field and nonfield jobs, long and short hauls, and from planting to harvest for direct processing for farm and sideline products, performing fully integrated services. A third mode is voluntary linkups connecting plots of land for unified mechanical tilling with a split in the profits.

As changes occur in operation of farm machinery, there are several leadership and management issues which now need to be solved:

A. Mechanized operations cannot be done in one manner. Diverse modes must coexist--especially in the development of stratification and diversification in joint operations. Collective operations which are going well should be continued; and members should not be forced to sell off equipment. The starting point for operations should look first of all to macroeconomic results.

B. Several problems in selling off large tractors need resolution:

1. The price should be reasonable and not too low. From the standpoint of tractor selloffs throughout the province, most were at or near a reasonable level. But prices were too low in some localities. This primarily occurred because a minority of rural cadres had the power to plan for their own benefit or that of their family and friends while county and township levels abjured their leadership. Certain locales adopted a number of measures to handle this problem, such as having pricing done after discussion by a small group composed of machinery station chiefs, village cadres, farm guilds and representatives of the masses under the leadership of township mayors which set prices before sales of vehicles. In some localities the selloff was by vote.

2. Repayment periods should not be too long--3 or 4 years is best. Some repayment periods were 10 to 20 years, which is inappropriate. These should be set by contract with assurances that at the end of the period the selling price has been fully repaid.

C. Strengthen management and services to households operating machinery to help them improve their economic results. The role of machinery management becomes more important after operations move to the household. The attitude and method of letting management go, which has appeared in some places, must be overcome. There are now a number of new topics to be studied and resolved, such as how to reconcile farmer autonomy over purchase of machinery with planning development; how to bring the role of old and newly purchased equipment fully into play; the role of small-scale farm household operation and its mechanization; and accessories for small-scale equipment. At the present time, only about half of the province's villages have management service organizations. Farm machinery assocaitions, farm machinery service facilities, farm machinery management specialists, and rural and township farm machinery management stations should be gradually established, creating a sound system of farm machinery management services. Further attention should be paid to management through laws and regulations in order to solve new contradictions cropping up in farm machinery operation, to give the farm machinery operator and user rules he can follow and regulations he can rely upon.

12303/12228
CSO: 4007/4444

HEILONGJIANG

BRIEFS

STORED GRAIN--As of 17 December, Heilongjiang Province had laid up a total of 8.18 billion jin of grain, accounting for 84.9 percent of the procurement plan. Of this figure, 3.22 billion jin was sheat; 1.21 billion jin was paddy rice; and 2.58 billion jin was soybeans. [Summary] [Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 19 Dec 85 SK] /8918

HEILONGJIANG PADDY RICE--In 1985 Heilongjiang Province increased its paddy rice farming acreage by 1 million mu. Despite natural disasters, the total output of the province's 6.6 million mu of paddy fields is expected to exceed the all-time record. [Summary] [Harbin HEILONGJIANG RIBAO in Chinese 30 Nov 85 p 3 SK] /8918

CSO: 4007/148

HENAN LEADER MEETS NATURAL RESOURCES SPECIALISTS

HK081220 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 6 Jan 86

[Excerpts] The province has made great achievements in tackling key scientific and technological problems on the Huang-Huai-Hai Plain during the Sixth 5-Year Plan period and has achieved gratifying results in comprehensive exploitation and research of natural resources in mountainous areas.

After listening to reports given by the specialist who worked on the projects, provincial CPC Committee Deputy Secretary Liu Zhengwei gave a high evaluation yesterday of the achievements made by the specialists and their scientific attitude and practical spirit in promoting scientific research achievements.

Liu Zhengwei listened to reports given by (Xu Linyun), (Jiang Jianping), (Jia Yuzhen), (Chen Zhangtong), and other specialists and professors on the achievements made in scientific research into the coordinated technology of breeding lean pigs, on [words indistinct], on cotton growing technology insaline-alkali soil, on technology for reaping bumper harvests and improving the quality of crops in sandy areas, on readjusting the rural production structure on the Huang-Huai-Hai Plain, on developing commodity production, and on comprehensive exploitation and use of natural resources in mountainous areas. They also watched relevant videotapes and slideshows.

On behalf of the provincial CPC Committee, the provincial government, and the peasants in the areas being exploited, Comrade Liu Zhengwei extended gratitude to the scientific and technological personnel who have worked hard on the projects.

He said: With your practical actions, you have implemented well the principle put forth by the central leadership that economic construction must rely on scientific and technological advancement and scientific and technological work must cater to economic construction. You have a strong sense of production, the market, the masses, and coordination. In conducting scientific research, you have paid attention to combining scientific research achievements with promotion and application, combining the law of nature with economic laws, combining microeconomy with macroeconomy, and combining scientific theses with leaders' policy decisions, thus achieving remarkable results and good economic effects and social benefits.

/8918
CSO: 4007/187

HUBEI FISH FARMING BOON TO RURAL, URBAN AREAS

OW111700 Beijing XINHUA in English 1635 GMT 11 Dec 85

[Text] Wuhan, 11 December (XINHUA)--For the first time in decades, peasants in Hubei province are allowed to dig fish ponds on collectively-owned land not suitable for farming, provincial officials said here today.

Nearly one-seventh of the eight million peasant households in this Central China province now have their own fish ponds, up to one-fifth of a hectare in size. The policy is expected to help boost fish output in the province from 300 million kilograms in 1984 to 350 million this year, according to Ma Jimin, director of the provincial aquatic production bureau.

Peasants are also allowed to sell their fish on free markets for higher prices than to government purchase agents, Ma said. They gave the example of Li Minghong and his family of four from Jianli county. They are earning more than 3,000 yuan from their fish pond this year--triple their total annual income five years ago.

Urban residents have benefited from the new policy, Ma added. One example is Wuhan, capital of the province, where supplies of fish have doubled.

The government is striving to make still better use of big reservoirs for fish raising, according to earlier news reports.

"It's better to get all sectors--the government, rural collectives and individual households--involved in fish raising," the director said.

/12913
CSO: 4020/127

HUNAN

BRIEFS

AGRICULTURAL, SIDELINE PRODUCTS--In 1985, the gross output value of the agricultural and sideline products processed by the supply and marketing system in Hunan Province reached 280 million yuan. [Summary] [Changsha Hunan Provincial Service in Mandarin 1100 GMT 2 Jan 86 HK] /8918

COMMODITY PRODUCTION BASES--After 3 years' construction, the six commodity production base counties--Yueyang, Huarong, Yiyang, Yuanjiang, Changde, and Anxiang counties--in the Dongting Lake area in Hunan Province have taken shape. Over the past 3 years, these six counties have sold 6 billion jin of commodity grain to the state. This accounts for 20 percent of the amount of commodity grain sold to the state by the whole province. The commodity rate has reached 36 percent and is 10 percent higher than the average level of the whole province. In 1983, the Ministry of Agriculture, Animal Husbandry, and Fishery designated these counties as agricultural commodity production base counties on an experimental basis. Over the past 3 years, apart from 30 million yuan allocated by the state, the provincial government has donated special funds of 6 million yuan plus 10 million yuan as funds for water conservancy work. These six counties have raised 13 million yuan by themselves to build the commodity bases. Over the past 3 years, the six counties have built some 2,000 water conservancy projects. They have increased areas guaranteed harvest, irrespective of drought and floods, by 380,000 mu, and improved irrigation and drainage work on 2 million mu. The newly built fine seed cultivation bases can provide some 20 million jin of fine seeds and 2 million jin of stock seeds every year, thus basically ensuring a crop rotation in 3 years. [Summary] [Changsha Hunan Provincial Service in Mandarin 1100 GMT 4 Jan 86 HK] /8918

HYBRID RICE PRODUCTION--The area of hybrid rice in Hunan Province in 1985 was 45 percent larger than in 1980. The average yield per mu was 819 jin, an increase of 26 percent over 1980. Over the past 5 years, the total area of hybrid rice in the whole province has been some 93 million mu and the total amount of paddy rice increase is 12.6 billion jin. During the Sixth 5-Year Plan period, although the province had readjusted 4.26 million mu of paddy fields, total output of paddy was 7 billion jin more than during the Fifth 5-Year Plan Period. [Summary] [Changsha Hunan Provincial Service in Mandarin 2300 GMT 3 Jan 86 HK] /8918

HUNAN TEXTILE EXPORTS--Changsha, 8 December (XINHUA)--Hunan Province reported 255 million-yuan worth of textile exports in the first 10 months of this year, double the figure for the same period of last year. To ensure production of ramie fabric, one of Hunan's major products for export, the province decreased the exports of semi-finished goods and increased those of finished yarn, fabrics and rami cotton blends. In the three major ramie textile mills at Yiyang, Zhuzhou, and Dongting, the export of semifinished goods has been cut by 60 percent and the export of ramie yarn and cloth increased by over 40 percent. Hunan has also encouraged cooperation among the cotton, silk and knitting trades to develop new products for export. Since the beginning of this year, more than 20 new products including yarn-dyed and printed cotton cloth, bed sheets and towels have been added to the export list. [Text] [Beijing XINHUA in English 1307 GMT 8 Dec 85 OW] /12913

CSO: 4020/127

JIANGSU

GU XIULIAN ATTENDS WATER CONSERVANCY MEETING

OW021215 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 29 Dec 85

[Excerpts] The Jiangsu Provincial Conference on Water and Soil Conservancy ended yesterday.

According to the meeting, farmland capital construction projects have been widely carried out on both sides of the Chang Jiang since the beginning of winter. By 20 December, people had already spent 4,134,500 work days on building and repairing irrigation facilities throughout the province, including the excavation of 264 million cubic meters of earth, and the building and repairing irrigation facilities throughout the province, including the excavation of 264 million cubic meters of earth, and the building and dredging of 231,708 large, mid-sized, and small ditches.

While discussing Jiangsu's water conservancy projects during the Seventh 5-Year Period, the representatives at the meeting unanimously maintained that the first thing to do during the Seventh 5-Year Plan period is to properly utilize the projects that have already been completed over the past 30 years and more, so that their functions can be brought into full play. They added that water conservancy departments should provide the guidance, personnel, and technical training needed to maintain and repair and rebuild the existing facilities to tap their potentials.

The meeting set forth the following requirements for water conservancy projects this winter and next spring:

1. Further expand their scope by mobilizing more people to engage in building farmland capital construction projects;

2. Appropriately increase the budget for more earthwork, especially for rebuilding ditches and enbankments;

3. Pay attention to practical results, making sure that the irrigation facilities can become more effective in withstanding natural disasters; and

4. Pay attention to building ancilliary facilities. Roads and fish ponds in the rural areas should be constructed along with the building of ancillary facilities in mountainous areas, water surfaces, cropland, woodland, and highways.

Gu Xiulian, Ling Qihong, Chen Dexian, and other leading comrades addressed the conference when it was in session.

/8918
CSO: 4007/187

JIANGSU PRODUCES 'POLLUTION-FREE VEGETABLES'

OW031603 Beijing XINHUA in English 1537 GMT 3 Jan 86

[Text] Nanjing, January 3 (XINHUA)--Changzhou in Jiangsu Province is one of the Chinese cities where pollution-free vegetables are available to everybody.

About 10 million kg of pollution-free vegetables were spplied to the city in 1985, city officials told XINHUA today.

Peasants round the city have since 1977 used low toxic fertilizers and insecticides in growing vegetables. They have also used biological methods to reduce the amount of insecticides used.

As a result, harmful residue in vegetables has been brought down below the state standards, the officials said.

Last year, non-pollution methods were used to grow on 4,000 hectares of vegetable plots in Jiangsu Province, accounting for one third of the province's total vegetable acreage.

The acreage has expanded year after year since 1981, when the Standing Committee of the Jiangsu provincial people's congress adopted a resolution calling for increasing the output of pollution-free vegetables.

Such vegetables were sold only to high class hotels and restaurants at first, according to earlier news reports.

/8918
CSO: 4020/167

JIANGSU

BRIEFS

PEPPERMINT OIL OUTPUT--Jiangsu is a major production area for peppermint oil. Last year, the area sown to peppermint was 200,000 mu, and 2,440 tons of peppermint oil were procured. Although this is an increase over 1983, supply still does not meet demand. The purchasing price has risen from around 13 yuan per jin to 16 yuan, with the highest increase at 18 yuan. This year, the sown area has increased about 700,000 mu, a 250 percent increase over last year, the highest level ever. It is estimated that gross output will be more than 6,000 tons. According to estimates from revelant sectors, this year the gross output of peppermint oil will see a large-scale increase. The province will procure 4,500 tons, Shanghai has ordered 1,800 tons directly from the province, 500-600 tons will be supplied to domestic markets, a portion will be exported, and the surplus will be sold domestically and exported next year.[Excerpts] [Beijing ZHONGGUO CUNZHEN BAIYE XINXI BAO in Chinese 20 Dec 85 p 3]

CSO:4007/186

JILIN GOVERNMENT HOLDS MEETING ON GRAIN PURCHASE

SK080626 Changchun Jilin Provincial Service in Mandarin 1030 GMT 7 Jan 86

[Text] On the morning of 7 January, the provincial government held a telephone conference on grain purchasing work. Gao Wen, vice governor of the provincial government, made a speech at the conference.

He said: As of 5 January, the province has stored 8,266.9 million jin of grain, overfulfilling the state-assigned commercial grain procurement task by 29.6 percent and the province-assigned unprocessed grain procurement task by 3.3 percent.

Comrade Gao Wen pointed out: The development of the current grain procurement work is not sufficient. A few prefectures and some cities, counties, and districts have not fulfilled their grain procurement tasks. The peasants in the prefectures, cities, and counties that have fulfilled their grain procurement tasks still have a lot of surplus grain for sale. The areas with conditions enabling the fulfillment of the grain procurement tasks should make efforts to fulfill the [word indistinct] as soon as possible. Areas with difficulties in fulfilling the tasks should check their assigned tasks. We should make efforts to encourage the peasants with surplus grain to sell it to the state. With regard to corn of standard quality, 30 percent has been purchased at a unified purchasing price and 70 percent at a subsidized purchasing price. First- and second-class corn are purchased at prices at two-grade higher than their actual prices. All localities should strive to settle the accounts for grain purchase as soon as possible and pay cash on delivery. We should take flexible methods to give priority to purchasing soybeans, and try every means to purchase all the soybeans that can be purchased, in order to ensure the fulfillment of the soybean procurement task.

The province has decided that the townships that have fulfilled their grain procurement tasks will be allowed to find themselves various channels for selling their grain but should strictly prevent the outflow of the first- and second-class corn.

The broad masses of peasants must enhance their vigilance in order not to be fooled or cheated by those elements who illegally buy up grain in great demand and gain grain and money by cheating peasants.

Comrade Gao Wen emphatically concluded: All localities should organize forces to comprehensively check the grain that have been stored up by the units and peasants on the state's behalf, in order to prevent the occurrence of such tendencies that some units and peasants pretend to store up grain for the state; some arbitrarily withdraw or resell the grain that they have stored up for the state; and some leave grain to rot. They should make efforts to manage well the grain that they have stored up on the state's behalf. All localities should enthusiastically sort out or recover the balance dues left over from last year. The households that are really unable to pay their dues are allowed to delay their payment. Those who are able to pay their dues must hurry to pay them. Households that arbitrarily sold the grain that they had stored up for the state, and households that illegally bought up grain in great demand and resold it should be strictly punished.

/8918
CSO: 4007/188

BRIEFS

BREAKTHROUGHS IN ANIMAL HUSBANDRY--Our province has achieved gratifying results in developing animal husbandry during the Sixth 5-Year Plan period. Since 1980, thanks to the implementation of the responsibility system in animal husbandry, our province has made the development of animal husbandry become more and more specialized, commercialized, and socialized. In 1985, the rate of hogs slaughtered increased by 18 percent over 1980, the output of pork increased by 17 percent, the number of cattle and sheep increased by 49 percent, and that of dairy cattle increased by 74 percent, the milk output increased by 180 percent, and the number of poultry increased by nearly 300 percent. The increase in meat, eggs, and milk has ensured market supplies and satisfied the needs of the masses. This year our province has made a new breakthrough in animal husbandry production. The province's total meat output this year showed an increase of 11.5 percent over last year. The average per capita amount of meat rose from 23.9 jin to 27 jin. [Text] [Changchun Jilin Provincial Service in Mandarin 2200 GMT 16 Dec 85 SK] /8918

FARM MECHANIZATION--Jilin Province has rapidly developed its farm mechanization during the Sixth 5-Year Plan period. As calculated by the end of June this year, tractors of various types in the province totaled 116,443, more than 100 percent over 1980. This year 25.41 million mu of farmland was farmed by machines, amounting to 94 percent of the total. During the Sixth 5-Year Plan period, our province popularized the new technique of mechanized cultivation in paddy rice production areas, thus expanding paddyfields and increasing the per-unit yield of paddy rice. The province's paddy rice output reached nearly 4 billion jin last year. Following the increase of tractors, rural transportation has taken on a new look. At present tractors undertake more than 70 percent of the total agricultural-oriented transportation. Now peasants in the province possess 88,194 tractors of various types. [Excerpts] [Changchun Jilin Provincial Service in Mandarin 2200 GMT 11 Dec 85 SK] /9599

JILIN APPROVES GRASSLAND IMPROVEMENT--Changchun, 11 December (XINHUA)--A massive grassland improvement program, including new water conservancy projects and tree shelter belts, has been approved by Jilin province in Northeast China, according to the local economic planning committee. The program, which will start next year, will try to save grasslands in the western part of the region that have become sandy and salinized because of dry weather and irrational use. Almost 34.3 percent of the 1.67 million hectares of grassland are in need of repair. A project to divert water from the Songhua river will be built in addition to tapping underground water. Some 80,000 hectares will be brought under irrigation by 1990. Other projects include returning farmland to grassland, planting grass, and solving energy shortage problems. [Text] [Beijing XINHUA in English 1131 GMT 11 Dec 85 OW] /12913

CSO: 4020/127

NEI MONGGOL

BRIEFS

SEED PROCUREMENT--As of 25 November, Nei Monggol region had procured 515,85 million jin of oil-bearing seeds, overfulfilling the annual contracted target by 15.85 million jin. This year the total regional output of oil-bearing seeds will reach 1.7 billion jin. It is estimated that this year the state will procure 700 million jin of oil-bearing seeds in the region, 300 million jin more than last year. Adding the 300 million jin which will be procured through other channels, the total volume of procurement will reach 1 billion jin. After balancing the regional supply and demand of edible oil, the region will be able to transfer 70 million jin of edible oil to support the markets of other provinces and regions. [Summary] [Hohhot Nei Monggol Regional Service in Mandarin 1000 GMT 6 Dec 85 SK] /9599

CSO: 4007/127

CHANGES IN RURAL PRODUCTION STRUCTURE

Yinchuan NINGXIA RIBAO in Chinese 13 Jul 85 p 1

[Article: "Welcome Changes in the Rural Production Structure in Ningxia: Conscientiously Implement the 'Industry, Farm, and Trade' Policies Proposed by the Ningxia CPC Committee; Broad Expansion of Income in Rural and Township Industry; Gradual Coordination of Development of Farming, Forestry, Animal Husbandry, and Fisheries"]

[Text] Over the past year, rural areas all over Ningxia have been conscientiously implementing the spirit of Central Committee Document No 1 and the Ningxia CPC Committee's policy of "industry, farm and trade." Welcome changes are taking place in the rural production structure. The income of rural and township enterprises is expanding broadly and there has been gradual coordination of development for farming, forestry, animal husbandry and fisheries.

In the first half of this year, with the reduction in outlay of state funds and credits, income in the Region's towns, villages, brigades, and joint and individual enterprises have still gone up by 30.8 percent. Of this figure, gross income in township, village, and brigade enterprises amounts to 45 percent and rural household and joint enterprises the remaining 55 percent. Total profits reached 33.97 million yuan on which 8.52 million yuan of taxes were paid. Gross income of rural township enterprises in the suburbs of Yinchuan and in the five counties (and cities) of Yongning, Taole, Wuzhong, Zhongwei, and Guyuan were double last year's figures.

In farming itself, there were some reductions in grain area and increases for economic crops, melons, and vegetables. Total area sown in the region in grains dropped 2 percent, and the proportion of grain in total farm crops fell from 81.3 percent last year to 79.6 percent this year. Areas sown in economic crops increased 13.5 percent over last year, while those planted in melons increased 43 percent. Although the grain area dropped, all areas achieved optimal unit yields by planting corn and beans and increasing the area planted in hybrid rice.

This spring, reforestation exceeded planning by 11 percent. Fieldbreak planting of trees exceeded planning by 73 percent. Development of orchards was hampered by shortages of seedlings, but still, some 22,900 were planted.

Animal husbandry production saw increases for cattle, sheep, hogs, poultry and rabbit feeds, and there was a good trend toward rapid improvements in the commodity rate for animal products. Fishery production saw completion of 65 percent of the yearly quota for construction of commodity fish bases, of which one half of fish ponds wre already stocked.

12303/13104
CSO: 4007/436

RESOLVING FARMER SELLING DIFFICULTIES URGED

Yinchuan NINGXIA RIBAO in Chinese 29 Jul 85 p 2

/Commentary by the Survey and Research Office of the Ningxia Autonomous Region CPC Rural Work Department: "Conscientiously Resolve Farmers' Selling Difficulties"/

/Text/ The makeup of production in Ningxia's countryside has been positively restructured, and conditions are excellent. However, we must take note of the fact that production structures in the process of readjustment have had a tremendous impact, effect and influence on all areas in the process of agricultural economic activity. Farmer selling difficulties are a rather salient indication of this.

Developing the various sectors of farming in a rather coordinated fashion inevitable brings extensive growth for sideline products (including forestry and livestock products). Although Ningxia's grain production this year was hit by natural calamities, the overall picture remained good. Diversified operations developed rapidly and there appeared in livestock production "five increases and one record." Nevertheless, because processing and sales links could not keep pace, there were still the same selling difficulties this year as appeared last year. This is a new situation which requires our attention.

We should analyze this issue seeking truth from facts. First of all, the multiplicity and abundance of sideline products is an indication of the shift from agriculture with a single function to one with comprehensive functions. It demonstrates that the production goal of farmers is moving from one concerned with fulfilling personal needs to one fulfilling the demands of society. It should also be noted that readjustmnets in some sectors of rural production have been too rapid, and that this burst of overdevelopment can be handled by readjustment means. Secondly, the superficial reason for selling difficulties for sideline products is overabundance; but this low-level of overabundance is actually a temporary phenomenon. We cannot use constraints on production as a method of solving selling problems. Third, the area of penetration of sideline products is limited due to disturbances in such links as processing, storage and transportation. In many places these products never make it out of the village. Moreover, these products are easily degraded and it is difficult to maintain their quality, which dramatically adds to selling difficulties. A fourth factor is the fact that contract and market sales of these products and fluctuating prices, bringing the market mechanism fully into play have been highly beneficial to farmers; but without state adoption of measures to expand sales and protect prices, farm production must undergo some of the risks of the marketplace.

It is obvious from this that solving farmers' selling difficulties is going to create planning and working problems as well as policy and ideological ones. We must examine new farmer demands and strive to resolve the problem of farmer selling difficulties.

1. Sound socialist planning management. Practice has demonstrated that the compulsory planning of the past is ill-suited to the new situation and new systems of production and operations. The central leadership has initiated contract purchase policies this year for such major farm and sideline products as grain and cotton. This is a major strategic decision for socialist planning management. Bringing farm production within the purview of planning through contract purchase both spurs farmer enthusiasm for production and protects the interests of the producer even as it avoids blind production and spurts for certain products and brings about coordinated planning for a whole series of ancillary service occupations, such as processing, warehousing, transportation, and sales. Expansion of the range of contract purchase for farm and sideline products should be considered where appropriate to bring planning to production and sales.

2. Reform service systems. At the present time these systems cannot keep pace. Basically it is an organizational problem, since administrative means cannot be relied upon for very long. It should proceed through certain measures coordinating administration and economics. The key is to reform "official business, and connecting economic benefits directly to the businessman, who can then adopt responsive measures to upgrade economic return. Multiple levels in the organization of production demand a similar stratification of services, which should be highly diversified. "Officials" can join the farmer to the businessman, with the farmer selling products and state-run businesses and supply and sales departments helping to push them, and all gathering some of the profit. "Officials" can also help coordinate farmers, with state-run businesses and supply and sales departments providing equipment sites or links to help the farmer sell his product and improve his services.

3. Better employment of the primary channeling roles of state-run businesses and supply and sales cooperatives. Relaxation of pricing and expansion of market adjustment is not merely a simple matter of handing production over to self-adjustment by the marketplace. Rather, it is positive participation by the state in market adjustments. How the state is to play this positive role in the new situation requires further study. Contract purchase, providing information to the farmer, and state-run businesses and supply and sales cooperatives themselves expanding their methods and going out to purchase farm and sideline products are important new methods. Whatever shortfalls may occur from time to time in one contract can be made up in another. So long as the primary channeling roles are brought into play, the farmer's selling difficulties can be resolved and the social problem of partisan disputes among farmers can be avoided.

4. Full utilization of the strong attraction of market demand. Demand outpaces supply for farm and sideline products in Ningxia's big city markets. Some products which are overabundant in one place are in short supply in another. This requires close monitoring of market changes--locally, nationally and internationally. Ningxia should move from domestic sales to sales outside its borders. This requires a whole sequence of organizational links, including information, marketing, processing, sales and transportation. If these are solved, there will be no problem selling farm and sideline products.

5. Positive support for transportation and sales among the people. Transport and sales by the people are more flexible than those by "officials," and are an important avenue for resolving farmer selling difficulties. This link is weak in Ningxia, with less than a 1,000 specialized transport households in the entire region--less than 15 percent of all specialized households. If we can set up transportation forces among the people, as Wenzhou in Zhejiang has done, allowing the people to rely on their own strengths, the problem of selling difficulties can be solved. This requires a further relaxation of policies, for example in the area of preferential tax treatment, so that the people have the requisite conditions for engaging in transportation and make enough profit to promote this avenue further.

6. Vigorous development of processing for farm and sideline products. Selling difficulties for these products are actually a comprehensive reflection of the situation, while warehousing and transportation difficulties are particular aspects of the same problem. Solving these latter problems will bring about a rapid resolution of the former, and so our determination should be on solving them. The basic measure for doing so is vigorous development of the industry processing farm and sideline products, creating quality products which are then easy to store, to move and to sell. This leads not only to an increase in value but an opening of markets. This processing should go forward at the state, collective and farm household level all at once, primarily relying on household and joint household operations. Mainstay industries can be managed by the state or rural township, with satellite household enterprises surrounding them, gradually creating a manufacturing system which then can hook up with transport systems to create a real integration of production, processing and sales.

7. Cooperative economic structures should arise in tandem with commodity production. Establishment of specialized cooperatives and production associations shoudl be encouraged, breaking out of local and regional barriers to move broadly toward specialized linkups, bringing production, processing and sales into even closer connection. Sales should be a consideration when production is just beginning, and long-range planning should solve selling problems which grow out of disruptions between production and sales.

8. Improve procurement methods. Farmer selling problems are largely a work question. Procurement problems are primarily a shortage of network outlets, inappropriate arrangements, burdensome quality-control standards, and unhealthy tendencies among personnel in a few places. Outlets should be multiplied, especially ones with farmers themselves acting as purchasing agents, which should be vigorously encouraged. Procurement periods should be appropriately arranged to avoid overconcentration. Quality-control standards should be in

strict accordance with National Bureau of Standards regulations and should be announced to the public, and none should be raised arbitrarily. Demanding lowering of grades and prices should be even less tolerated, and those violating this rule should be given economic sanctions. Procurement workers should be encouraged to make onsite procurements in farm households and to reduce links. Procurement price differential subsidies ordered by the state should go to the person making the procurement, and should be reasonable.

9. Expanding the scope of protected prices should be considered. The state has adopted preferential treatment and protective pricing policies in cotton and grain procurement, bringing solutions to the problems of "cheap grain hurting the farmer" and "excess cotton driving down prices." We feel that wherever feasible, expanding the scope of price protections should be considered. Earmarking a sum of state funds for price protections within the framework of primarily market regulation plays a better role in promoting production. Of couse, this involves the macroeconomic picture as a whole and should be done in incremental steps.

10. Change guiding ideology. If the old saw of singularly promoting planting, requisition and procurement is to be broken, the guiding ideology should be to set up services as a way of directing and adjusting production, basing ourselves on the features of the commodity produced, considering production, supply and sales as compelementary aspects, and restricting ourselves to the facts of the specific case. Right now, many grassroots cadres are not attuned to providing services. Attention should be paid to upgrading cadre quality, improving work and leadership methods, and realistically solving the problem of the farmer's selling difficulties.

12303/12228
CSO: 4007/444

FEED INDUSTRY DEVELOPMENTS DISCUSSED

Yinchuan NINGXIA RIBAO in Chinese 4 Aug 85 p 1

/Article by Ma Heliang /7456 0735 0081/: "Broad Prospects for Breakneck Future Developments in Ningxia's Feed-processing Industry, Creating Conditions for Great Developments in Animal Husbandry"/

/Text/ Developments in Ningxia's feed-processing industry have been rapid in recent years. By the end of 1984, 93 plants had been built throughout the region with annual production capability of 105,500 tons. Last year, the region produced over 72.4 million jin of compound (mixed) feed. Moreover, in the first half of this year, 53 more plants were under construction.

Leading comrades and concerned departments within the autonomous region have paid close attention to development of the feed industry. Last year the region set up a "feed industry leading team." This year in addition, 50 million jin of stable-price feed processed from grain was sent out to the county (city) level. Last year, relevant departments in Ningxia allocated special funds to support the development of the feed industry in the mountain region of the south. Forty-seven units of feed-processing machinery were purchased outside the region and feed industry technology-training classes were set up. Eighty factories (stations) were built in the mountainous south, six of which have already gone into production. Due to the fact that these factories have been using scientific mixing methods and stressed high quality, the component (mixed) feed they have been processing has been welcomed by specialized household users, many of whom have signed long-term supply contracts with plant operators. They uniformly report that animals and fowl fed this compound (mixed) feed show fast weight gain and high protein counts, and production costs are lower than the unmixed feeds.

The boom in the feed-processing industry has spurred developments in animal husbandry. Cattle-raising in Lingwu County has already passed 6,800 head, while the sheep count in Tongxin County has reached a recordbreaking 470,000 head. In the city of Qingtongxia, hog production in the first half of 1985 hit 43,000 head, with 12,000 going to slaughter. This was an increase of more than 5,000 head over the previous year.

12303/12228
CSO: 4007/444

NINGXIA

BRIEFS

NINGXIA FISH FARMING--Yinchuan, 8 December (XINHUA)--Officials in Ningxia Hui Autonomous Region are boosting fish production by encouraging both collectives and individuals to raise fish. Regional fish production this year is expected to total 2,100 tons--39 percent more than last year, a regional official said here today. State and collective farms are raising fish in 1,046 hectares of water, and individual peasants in 4,666 hectares. The regional authorities have invested 5,300,000 yuan in fish farming, and have invited 230 experts in aquatic production from coastal Zhejiang and Jiangsu provinces to advise peasants. Located on the upper reaches of the Yellow River, the region is known as "a land of fish and rice". About one third of its 66,000 hectares of water area can be used to raise fish. [Text] [Beijing XINHUA in English 1812 GMT 8 Dec 85 OW] 12913

CSO: 4020/127

SHAANXI

BRIEFS

APPLE HARVEST--This year the gross output of apples in Shaanxi will be around 200,005,000 [six 250 million] jin, a 32.98 percent increase over last year. The province will purchase about 70 million jin. This year the unit price of apples in production areas vary from .33 to .31 yuan for first-grade and .28 to .26 yuah for second grade; apples of third-grade quality and below are not marketable. [Summary] [Xian SHAANXI RIBAO in Chinese 31 Oct 85 p 2]/6662

CSO: 4007/136

SHANDONG PEASANTS ENGAGE IN RURAL INDUSTRY

OW111122 Beijing XINHUA in English 1108 GMT 11 Dec 85

[Text] Jinan, 11 December (XINHUA)--Chen Wenqing, a peasant and his family who live in coastal Shangdong province near Bohai bay, have found that engaging in rural industry has helped them to prosper. They earned 850 yuan from farming and side-line occupations, but as much as 6,700 yuan from industry last year.

With the money, Chen bought a color TV and two bicycles, symbols of wealth in rural China. Chen is one of the 60 million Chinese peasants now engaged in rural industry and services, which produced a total output value of 170.9 billion yuan in 1984--the equivalent of the 1964 gross national product.

Fifty-year-old Chen worked as a plasterer, and his two daughters and a son as workers at the village's silk mill and chemical fabric dyeing and printing mill. In the meantime, the Chens tilled 0.3 hectares of farmland sown with wheat and corn. The income from industry and sideline occupations accounted for well over 90 percent of the family budget.

The Chens are typical of the 250 peasant households in Xichen village, Changyi county. The development of the rural silk industry has brought prosperity to this once-poor rural community.

According to the provincial government, 6,600,000 peasants, or one-fourth of the rural labor force, have turned to industry, the total income from which is expected to be 17.3 billion yuan this year, three times the 1980 figure.

The province reaped a better grain harvest this year than the record 1984. The output of peanuts was 2.5 million tons, or 38 percent higher than in 1984.

The industrial income of the province's rural areas accounted for about 40 percent of the total agricultural revenue.

"The development of rural industry has increased the peasants income and promoted rural commodity production," said Wang Shufang, an administrator of the city of Weifang, which govern nine rural counties. "This is a sure way to invigorate the rural economy," Wang said.

In Changyi county, which is under the Weifang administration, 240,000 peasants, or half of the county's rural labor force, are engaged in smelting, building, animal feed processing, textiles, mining, and arts and crafts, according to Wang Lifu, the local magistrate.

As a result, the magistrate said, the average income of the peasants was 567 yuan last year, five times the 1978 figure.

Economists commented in the "People's Daily" last Friday that this was "a golden time" for China's rural industry. "It is but a prelude to greater developments."

The previous situation in which China's 800 million peasants were all mobilized exclusively for grain production had to change, they said.

Rural industry has served as a tremendous opening for rural labor which, thanks to the current reforms, has been given greater freedom, the economists argued. However, as it would be impossible for the main cities to absorb a sudden influx of a large number of peasants, they said,: "The best way is to digest surplus labor right in the villages by setting up small industries."

/12913
CSO: 4020/127

GRAIN OUTPUT INCREASING STEADILY

Beijing RENMIN RIBAO in Chinese 13 Nov 85 p 1

[Article by Jia Jianzhou [6328 1696 5297]: "Steady Development of Grain Production in Shandong; During Sixth 5-Year Plan Total Grain Output Increased 6 Percent Annually"]

[Text] The Shandong Provincial CPC Committee and the provincial government, engaged in the restructuring of agriculture, have laid a firm foundation for the overall revitalization of the rural economy by not neglecting the production of grain.

Agricultural statistics and data from Shandong make clear that since begining the Sixth 5-Year Plan, the province's total grain output has been increasing at an average annual rate of 6 percent. This year, the amount of grain per capita rose from above 640 jin in 1980 to more than 810 jin. Happier news is that even the four prefectures in northwest Shandong, which are famous as "grain deficient" and in the past would consume more than 2 billion jin of goverment-sold grain, turned around and sold more than 2 billion jin of grain to the state. This initial stage of being more than self-sufficient in grain guarantees the coordinated development of cash crops and all rural industries. In cotton and peanuts, for example, production in Shandong during the Sixth 5-Year Plan increased more than 90.76 million dan and more than 778.48 million dan, respectively, compared to the previous 5 years. Even though Shandong met this year with many rarely seen natural disasters, total grain production was still able to attain or surpass the highest levels in history set last year. There was also a fairly large growth in the total output value of agriculture compared to last year.

12919/13104
CSO: 4007/97

BRIEFS

RECORD PEANUT CROP--The total peanut output this year in Shandong, one of China's major peanut producers, could reach 50 million dan, about 13 million dan more than last year, setting a historical high. [Text] [Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 18 Nov 85 p 1] 12919/13104

CSO: 4007/97

SHANXI

BRIEFS

AGRICULTURAL RECLAMATION DEVELOPS--The gross output value of the agricultural reclamation system in Shanxi Province during the Sixth 5-Year Plan period was some 160 million yuan, a yearly increase of 12.6 percent. The system made profits of 20.59 million yuan in the same period, the profits increasing by 38.5 percent a year. During the Sixth 5-Year Plan period, the agricultural reclamation system produced 158.97 million jin of milk, 400,000 tons of raw coal, 58 million tons of machine-made paper, and 10,052 tons of aluminum products. The agricultural reclamation system in our province has engaged in agriculture, industry, and commerce and carried out diversification. The proportion of the industrial output value of the system to the gross output value increased from 38 to 57 percent. [Summary] [Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 3 Jan 86 HK] /8918

RURAL ACHIEVEMENTS--Shanxi reaped a bumper grain harvest in 1985, although output was slightly less than in 1984 due to natural disasters. Total agricultural output value rose by about 8 percent over 1984, and average income from production is estimated to have risen by 15 percent. The proportion of industrial crops in the cropping pattern rose from 20 percent in 1984 to 25 percent, while there was also expanded sowing of fine grain and small miscellaneous grains. The number of township enterprises has now reached 340,000, double the number in 1984. [Summary] [Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 2 Jan 86 HK] /8918

SHANXI RURAL WORK SUCCESSES--Shanxi has scored many successes in rural work this year as a result of implementing Central Document No 1. Despite a drop in grain production due to natural disasters, this was still a bumper year in historical terms. Total agricultural output value is about 8 percent up on 1984. Average net income from agricultural production may rise by 15 percent over last year. The proportion of industrial crops in the crop pattern has increased, and the proportion of fine grain in the grain crops has also risen. The grain procurement quota has been fulfilled. There are now 340,000 township enterprises, double the number last year, and their total output value is expected to show a rise of 53 percent and their income a rise of 51 percent. This year the province has allocated 180 million yuan to help the people in poor mountain areas to develop the economy. [Summary] [Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 16 Dec 85 HK] /8918

CSO: 4007/148

SICHUAN

REVITALIZATION OF RURAL ECONOMY DISCUSSED

Chengdu SICHUAN RIBAO in Chinese 17 Oct 85 p 1

[Commentary: "Revitalize Rural Economy with Agriculture as the Foundation"]

[Text] "The development of agriculture is still the major foundation of the development of China's entire national economy, and full importance must be given to its strategic position." The CPC Central Committee, in its suggestions concerning the formulation of the Seventh 5-Year Plan for the development of the national economy and society, reaffirmed the position of agriculture in the national economy. This deserves our conscientious study and thorough understanding.

Propelled by the reform of the rural economic system, agriculture in Sichuan during the Sixth 5-Year Plan obtained continuous increases in output and year after year of bumper grain harvests; this furthered the restructuring of rural production and development of the commodity economy, bringing fairly large improvements in the lives of peasants. However, since the problem of meeting essential needs has basically been solved, especially in areas where rural and small town enterprises have developed fairly fast, some comrades have a one-sided understanding of "no prosperity without industry." They do not want to "just be an agricultural party secretary," so they put undue emphasis on cash income; their thinking on agriculture as the foundation has become weakened to the extent that some think that, under the present new circumstances, the policy of keeping agriculture as the foundation is outmoded. They thus relax their leadership of agricultural production. This is one of the major reasons why grain output fell this year in Sichuan.

In order to solve this problem, we must first thoroughly educate people that "agriculture is the foundation of the national economy." We are a big province with many people but little farmland. Providing the means of livelihood for more than 100 million people can only be solved by developing agriculture. Last year 76.4 percent of the output value of light industry in Sichuan came from products using agricultural products as raw materials. Of the total amount of commodities bought for export, 72.8 percent were agricultural products or processed products made from them, accounting for more than 85 percent of foreign exchange earnings. Rural purchasing power is approximately 60 percent of the whole society's purchasing power. All of this illustrates that "no stability with agriculture" is the premise for "no prosperity without industry" and "no vitality without commerce;" agriculture is still the foundation of the national economy. There will be big problems if agriculture is not stressed. During the 10 years of chaos, agriculture was damaged and there were serious grain shortages. For a time we ate grain brought in from outside, which only aggravated the shortage of transport. The national economy reached the point of collapse. In addition, many peasants, in order to escape from starvation, climbed into trains and poured into the cities. "Without grain there is chaos:" We should seriously absorb this historical lesson, and firmly establish within the guiding ideology that agriculture is the foundation. At no time can we ever undermine the strategic position of agriculture.

We should earnestly strengthen the leadership of agricultural production and further improve every service which will develop agriculture. Every level of rural party and government departments in Sichuan should persist in implementing the policy of "never neglect grain production and actively develop a diversified economy," quickly turning around the tendency to neglect agriculture and grain production. Emphasize both rural and small town enterprises and agriculture, truly achieving total responsibility of the rural economy. Leading cadres at every level should seriously improve their work style, producing less empty talk and more deeds of substance. They should make thorough surveys and studies, act according to the local realities, distinguish among different conditions, and carry out the appropriate policies and measures. This will allow the better implementation of tailored guidance by the provincial party committee for principle, policies and measures. People in every occupation should emphasize the current fall production, vigorously assisting agriculture, actively doing good work in providing information, improved varieties, technology, funds, materials, processing, transport and marketing, thus serving the development of the agricultural commercial economy. Financial organs at every level should, as much as possible, provide some funds for use in developing agricultural production. Agricultural departments should establish a multilevel vertically and horizontally integrated service network, and provide better service before, during and after production. In summary, every element of society in Sichuan, guided by the policy that agriculture is the foundation, should with one heart make greater contributions to accelerating the development of agricultural production and revitalizing the overall rural economy.

12919/13104
CSO: 4007/97

FALL IN FERTILIZER SALES ANALYZED

Chengdu SICHUAN RIBAO in Chinese 28 Jul 85 p 2

[Article: "A Brief Analysis of Sichuan's Chemical Fertilizer Market"]

[Text] In the first half of this year, the fertilizer market dropped. Looking at the supply and sales system, sales from January through May were 2.39 million tons down 10.9 percent from last year. Of this, nitrogen fertilizers were down 11.4 percent and phosphorus fertilizers down 16.1 percent. Surveys and analysis reveal that current market sales of fertilizers show the following indicators:

A change has taken place in readjustments in the rural production structure and in the layout of farm crops. Grain plantings are down, with a concomitant drop in fertilizer demand. Based on data supplied by concerned departments, rice plantings in Sichuan are off 730,000 mu from last yqar, most of which has been diverted to housing construction, fish farms and planting of flowers.

Farm fertilizers are up and chemical fertilizers down. After the state eliminated assigned purchase of hogs this year, there was much farm enthusiasm for hog raising. Hogs on hand in March this year were up 4.5 percent from last year. This has led to increased supplies of manure. Combined with the jump in the price of chemical fertilizers, this has spurred farmers to rely more on domestic fertilizers. Surveys show that use of chemical fertilizers as the primary fertilizer is not very prevalent, with most farmers using organic, and particularly domestic animal, fertilizers instead.

The squeeze on state funds in banks have led to decreases in chemical fertilizers. Farmers used to be able to buy it on credit, which is not easy now. Returns from some counties indicate that some less affluent households lacking the money for fertilizers are planting "freshwater" rice. With the abundance of chemical fertilizers, the amount being purchased is off. Farmers are not buying until the season they actually need it. A survey at the beginning of the year of 213 households in 11 villages in 5 prefectures by the Jianyang supply and sales cooperative shows that the amount of chemical fertilizer in circulation equals 12.5 jin of standard nitrogen per mu--down 15 percent from last year. Sales of chemical fertilizers is off between January and April. Farmers hold off purchases and sales drop. May is the beginning of the busy season; and this year sales were up 12.7 percent from last year.

Multiple outlets dealing in chemical fertilizer have been operating throughout the province. Over the past year, industrial production has been up, home sales have increased, and prices of carbon, ammonia, and phosphorus fertilizers have been down. A Shehong County survey indicated that during the busy season, rural, village enterprise, food outlet, and individual household operations amounted to over 100 outlets.

Chemical fertilizer is a major farm production staple and an important element in increasing production of farm crops. Based upon development of requirements for farm production, demand for chemical fertilizer should go up. Now, although the amount of area planted is off, the increase in domestic fertilizers may have an impact on sales, but the proportion should not be significant. Other such changes are all of a temporary nature. Projections for the second half of the year for rural purchasing power should be up 18 percent from last year. Most of this money will go back into production materials, and chemical fertilizer sales may increase. But farmer selectivity is strong, and given the choice between urea, ammonium carbonate, ammonium chloride, and ammonium nitrate, most farmers prefer urea. The more the resources of urea, the more that can be sold. Thus, it is projected that chemical fertilizer sales will be up somewhat this year from last, but the amount of increase will be off. Among different types, nitrogen fertilizers should be up and urea supplies will continue to be less than demand. Phosphorus fertilizers should be down 10 percent or so.

12303/13104
CSO: 4007/436

BRIEFS

RURAL SAVINGS DEPOSITS INCREASE--With the shortage of credit and funds this year, Sichuan's farm bank and rural credit cooperatives have spurred the broad mass of farmers to actively participate in savings through such measures as increasing locations, proselytization, and aggressive services. In the fist half of this year, the province's rural savings were over 3.7 billion yuan in the black, up by almost 700 million yuan from the beginning of the year and more than a 1.5-fold increase from the same period last year. Due to the increase in deposits, banks and cooperatives were able to expand the scope of their investments. Farm loans were up 38.9 percent over the 6-months period from the same period last year, vigorously supporting sustained development of commodity production and spurring adjustments in the structure of rural production. [Text] [Chengdu SICHUAN RIBAO in Chinese 18 Jul 85 p 1] 12303/13104

CSO: 4007/436

TIANJIN

BRIEFS

AQUATIC PRODUCTION IN TIANJIN--There have been overall bumper yields this year in Tianjin for ocean fishing and ocean and freshwater fish farming production. Predictions are that the total output in Tianjin of fish, shrimp, crabs, and other aquatic products could reach 100 million jin, a 12.3-percent increase over last year and a 55.7-prcent increase over 1980,. The annual per capita amount of aquatic products for urban and rural residents of Tianjin grew from 8.5 jin in 1980 to 12.2 jin. [Text] [Beijing RRENMIN RIBAO OVERSEAS EDITION in Chinese 18 Nov 85 p 1] 12919/13104

CSO: 4007/97

XINJIANG

BRIEFS

SHEEP BREEDING--Urumqi, January 4 (XINHUA)--A zoologist from the Beijing-based Institute of Zoology has reduced the sheep mating season from 54 days to an average of 17. Fan Zhiqin who is doing research in the Xinjiang Uygur Autonomous region said that this helped reduce consumption of grass at breeding stations--thus cutting costs considerably. According to Fan, this can be accomplished by spreading ram urine, which contains a chemical compound called feromone, on the heads of ewes. The compound, which the ewes ingest through their noses, causes physiological and behavioral changes that bring the ewes on heat, Fan said. The mating season can be synchronized by administering the compound to many ewes at the same time, she said. The zoologist said this new method of mating would be used throughout the country this year. Over the past 4 years, Fan has experimented with feromone on 6,300 ewes in the Kazak Autonomous County of Mori in Xinjiang, one of China's f[illegible] major animal breeding centers. Results showed that the mating season was reduced to between 16 and 18 days from up to 54 days. At the same time, Fan said, the fertility rate rose from between 80 and 90 percent to between 81.9 and 95.8 percent. [Text] [Beijing XINHUA in English 1219 GMT 4 Jan 86 OW] /8918

CSO: 4020/167

YUNNAN PROVINCE ESTABLISHES PRODUCTION BASES FOR APPLES

Kunming YUNNAN RIBAO in Chinese 22 Sep 85 p 1

[Article by Xiao Lin [2556 2651]: "Some Apple Production Bases Are Established in Yunnan Province; Planting Area Reached 310,000 Mu, Production Reached 380,000 Dan"]

[Text] After many years of continuous effort Yunnan province has established production bases for apples in Zhaotong, Qujing, Kunming, Lijiang, Yuxi, and other areas. This year the area planted in apples reached 310,000 mu, and the yearly production reached 380,000 dan for the whole province.

The warm-cool climate, abundant sunshine, and large day-night temperature differential in the mountainous and semi-mountainous areas of the northeast, northwest, and central portions of our province were suitable for apple growth. The first apple orchards were attempted in the 1950's , and they became a fledgling industry after considerable progress was made in the 1960's and 1970's. In the last few years all areas have made considerable progress, while the output-related contract responsibility system and scientific technology have been emphasized and annual apple production has steadily increased.

In the early stages of implementing the contract responsibility system many areas lacked experience, contract lengths were limited to 3 to 5 years, and orchards were contracted to separate households. Orchard management was haphazard and affected production increases. Since 1983, all areas have promptly summarized their experiences with the apple tree contract and generally extended the contract length to 15 to 20 years. At the same time, the form of the orchard contract was readjusted, i.e. larger orchards adopted joint household specialized contracts, mid- to small-size orchards implemented specialized household contracts, and scattered trees were made part of the land assigned to specific households. In this way the farmers' enthusiasm for fruit tree management increased markedly, and they put in more effort and fertilizer. Under this careful management growing conditions in most orchards have been very good. Tan Minhua [0781 2494 5478], a member of the Seventh Brigade in Beipotang Town of Zhaotong City, contracted an apple orchard occupying a little more than 8 mu. He cooperated with an apple specialist from Shandong Province and made a tremendous effort in management. Last year his per-mu yield exceeded 3,80 jin; this year per-mu yield may exceed 4,100 jin. During this time a special effort was made to increase production. All areas have enthusiastically promoted deep plowing, expanded irrigation, increased use of fertilizers, and other technical procedures such as pruning, reasonable intercropping, and disease and pest control. In the past the per-mu yield of apples in Qujing City was only 300 to 500 jin, but it has increased greatly over the past 3 years since the above procedures were widely promoted in 1983. Current production exceeds 2,000 jin per mu.

At present, all areas have combined reform of the rural enterprise structure with "increase 100 to achieve wealth" activities to produce tremendous progress in apple production. Huize County is planning to develop 5,000 mu in close-planted orchards. Qujing City has produced 150,000 late-maturing selected seedlings and is about ready to transplant them. Luquan County has brought in 70,000 seedlings and plans to plant 3,000 mu during the winter and spring.

13015/12781
CSO: 4007/86

RURAL ECONOMY CONTINUES TO DEVELOP IN YUNNAN PROVINCE

Kunming YUNNAN RIBAO in Chinese 22 Sep 85 p 1

[Article: "Yunnan's Economy Presents a New Outlook of Continuous Development; Major Goals of the Sixth 5-Year Plan Have Been Completed Ahead of Schedule"]

[Text] Based upon information provided by the provincial Statistics Bureau, the rural economy in Yunnan province continues to develop. Main economic goals have been attained prior to the completion of the Sixth 5-Year Plan.

During the first 4 years' implementation of the Sixth 5-Year Plan the average annual increase in the gross value of agricultural output in Yunnan province was 10.2 percent according to 1980 constant prices. This percentage greatly exceeds the 6 percent rate of increase specified in the Sixth 5-Year Plan. This production has also exceeded the 7.32 billion yuan goal specified in the Sixth 5-Year Plan by 10 percent and is one year ahead of schedule. Under severe unfavorable natural conditions the estimated gross value of this year's agricultural output will still exceed the final year's goal of the Sixth 5-Year Plan.

During the Sixth 5-Year Plan rural areas in Yunnan province have conscientiously implemented the directive to "never lessen grain production and energetically develop diversification" and have logically readjusted crop distribution. Although the area planted in grain last year was less than that in 1980, grain production still continued to increase. Production reached 20.1 billion jin and achieved the goal set by the Sixth 5-Year Plan ahead of schedule. Production of many other important agricultural products such as sugarcane, tobacco, mulberry and silkworm cocoons have also fulfilled the Sixth 5-Year Plan ahead of schedule. Exceptions include oil products, rubbers, and aquatic products. Because the area devoted to cash crops has increased too rapidly, the area available for grain production is lower this year than last. Production of small spring crops has also decreased because of unfavorable natural conditions. Large spring crops have suffered from insect infestations. Although all these factors have caused estimates of grain production to be lower than that of last year, this will still be a high production year historically. Production of other crops (especially tobacco) will increase greatly.

During the Sixth 5-Year Plan different levels of the Party commissions and the government of Yunnan Province have conscientiously implemented the Central Committee's rural economic policies. They have also carried out the reform of the rural economic system based on actual local conditions. These actions have brought about relatively rapid development of Yunnan's agriculture. Most areas in the province have basically solved the hunger problem, thereby providing a good opportunity and the necessary material basis for reform of the rural production structure and development of diversification. Last year the gross value of rural sector output in Yunnan reached 9.702 billion yuan (calculated in terms of that year's current prices). This represents an increase of 62.6 percent increase over 1980.

13015/12781
CSO: 4007/86

ZHEJIANG BOOSTS AGRICULTURAL PRODUCTION

OW050734 Beijing XINHUA in English 0621 GMT 5 Jan 86

[Text] Hangzhou, January 5 (XINHUA)--Zhejiang Province, East China, has boosted cultivation of industrial crops and pig and fish raising while ensuring grain production over the past 5 years.

It cut grain growing area by 226,000 hectares for fruit, vegetables, peanuts, sesame and rapeseed last year. But grain output still amounted to 16.5 million tons, slightly higher than in 1980 or averaging 400 kilograms per capita.

This was a result of the popularization of 30 fine rice strains, a local official said. The area for fine early rice has expanded from 46,700 hectares to 200,000 hectares and that for fine late rice reached 467,000 hectares, accounting for 80 percent of the total.

Grain crops in Zhejiang grow on 90 percent of the farmland that averages only 0.046 hectares per capita, among the smallest in China. The per hectare yield there has topped 7.5 tons since 1972.

The province multiplies agricultural products because Chinese people want to improve their diet with good quality and nutritious farm produce and staple food, the official said.

Since 1980, Zhejiang peasants planted 67,000 hectares of tangerine, Chinese torreya, plum, pomelo, red bayberry, peach and loquat orchards, doubling previous acreage. It also built more than 100 hectares of breeding orchards and sapling beds.

The fruit output was 350,000 tons last year, 60 percent more than in 1979.

Meanwhile, 21 centers have been restored or expanded to produce 40 kinds of famous tea, including Longjing.

Nearly half of 375,000 hectares of ponds, reservoirs and rivers in the province have been used to raise crabs, eels, prawns, soft-shelled turtles and fish.

It dug 6,700 hectares of fish ponds along the coast and same many fish ponds on the low-laying fields which give meagre yields. Fish is also raised in 33,000 hectares of paddy fields.

Freshwater fish catch increased from 50,000 tons in 1970's to 120,000 tons last year.

Previously, the province raised fat pigs. Now 20 counties have turned to lean-pork producing breeds and they produce half of the total hogs.

Local peasants earned more from production adjustment. A survey on 650 peasant households in 13 counties showed that each person increased an average income of 48 yuan from the adjustment last year.

Income averaged 500 yuan per peasant in Zhejiang last year, doubling the figure for 1980.

/8918
CSO: 4020/167

BRIEFS

MARINE PRODUCTS--Zhejiang Province's output of marine products in 1985 was estimated at over 19 million dan, of which freshwater fish, shrimp, and soft-shelled turtle would be around 2.97 million dan. [Summary] [Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 3 Jan 85 OW] /8918

GRAIN PRODUCTION--In 1984 Zhejiang Province produced 36.3 billion jin of grain. In 1985 the province reduced its grain area by 3.38 million mu in order to grow more cash crops. The province's 1985 grain output was 33 billion jin. [Summary] [Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 1 Jan 86 OW] /8918

CSO: 4007/187

TAIWAN

BRIEFS

SEAFOOD IMPORTS BAN LIFTED--Taipei, Jan 8 (CNA)--The Executive Yuan's Agricultural Council has agreed to lift the import ban on 94 Japanese agricultural and marine items, including shrimps, crabs, oysters, small abalone, scallops, and salted vegetables. This cross-the-board import liberalization will soon be made public by the Board of Foreign Trade (BOFT). By implementing the proposed liberalization, BOFT hopes Japan will take reciprocal liberalization measures on its imports of Taiwan goods to the Japanese market, a senior BOFT official said. The current import ban was initiated in 1980 and 1982 by the Ministry of Economic Affairs to correct the trade surplus then favoring Japan and as a reaction against Japan's unfair import policies on Taiwan silk and eel products. [Text] [Taipei CNA in English 0314 GMT 8 Jan 86 OW] /8918

CSO: 4020/167

END